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Daily Report
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FBIS-SOV-96-044 CONTENTS *5 March 1996*

NOTICE: An * indicates material not previously disseminated in electronic form.

CHECHEN AFFAIRS

Russia: Grachev Reiterates Readiness To Meet With Dudayev *[Moscow RTV]* 1
Russia: Grachev Groznyy Visit Linked to Yeltsin Reelection Bid *[KOMSOMOLSKAYA PRAVDA 5 Mar]* 1
Russia: Basayev: 'We Will Drown Russia in Blood' *[Madrid EL MUNDO 2 Mar]* 2
Russia: Reconstruction Money Said Source of Dudayevites' Finance *[KRASNAYA ZVEZDA 2 Mar]* 3
Russia: Chechen Minister Seeks Coordination With Federal Troops *[INTERFAX]* 4
Russia: Raduyev Appropriates Funds Intended for Kizlyar Operation *[Moscow Radio]* 4
Russia: Chechen Rebels Kill Commander; Raduyev Injured in Ambush *[ITAR-TASS]* 4
Russia: Exchange of Fire in Sernovodsk Ceases, Three Killed *[Radio Rossii]* 5
Russia: Troops Seal Off Sernovodsk Village in Chechnya *[ITAR-TASS]* 5
Russia: Ingush President Says Federal Action in Sernovodsk Illegal *[INTERFAX]* 5
Russia: Sernovodsk Refugees 'Flood' Ingushetia *[INTERFAX]* 5

INTERREGIONAL AFFAIRS

CIS: ITAR-TASS Carries Press Review for 5 Mar 7
CIS: CIS Economic Statistics for 1995 *[ROSSIYSKAYA GAZETA 2 Mar]* 7
CIS: Moscow Not To Reinforce Troops on Tajik-Afghan Border *[INTERFAX]* 9

RUSSIA INTERNATIONAL AFFAIRS

Russia: Foreign Ministry Condemns Latest Terrorist Act in Israel *[Moscow ORT]* 10
Russia: Foreign Ministry Reproaches U.S. Over Cuba Economic Embargo *[INTERFAX]* 10
Russia: Embargo Against Cuba Seen as Contrary to International Law *[ITAR-TASS]* 10
Russia: Chernomyrdin Orders Investigation Into U.S. Poultry Imports *[Radio Rossii]* 11
Russia: Gore's 'Sharp Tone' Noted in Letter to Chernomyrdin *[INTERFAX]* 11
Russia: Russian, U.S. Emergency Agencies To Cooperate *[SEGODNYA 2 Mar]* 11
Russia: Moscow Soon To Allow Rocket Engine Partnership With U.S. *[INTERFAX]* 12
Russia: Moscow To Step Up Relations With Former Allies *[KRASNAYA ZVEZDA 2 Mar]* 12
Russia: NATO Exercise 'May Pose Threat' to Russian Security *[KRASNAYA ZVEZDA 2 Mar]* 13
Russia: Participation in IFOR Operation in Bosnia Viewed *[Moscow NTV]* 14
Russia: Chernomyrdin Interested in Czech Monetary Experience *[ITAR-TASS]* 14
Russia: Yeltsin's Words Seen Suggesting Unification With Belarus *[SEGODNYA 1 Mar]* 14
Russia: Commentary on Japan's Claim for Islands in Russia, PRC, ROK *[Moscow International]* .. 15
Russia: Atomic Energy Minister Views 'Munich Affair' *[ITAR-TASS]* 16
Russia: 'Nigerian Mafia' Stepping Up Operations *[TRUD 2 Mar]* 16

RUSSIA NATIONAL AFFAIRS

Political Issues

Russia: Yeltsin Favors Protectionist Measures for Light Industry *[ITAR-TASS]* 18
Russia: Yeltsin Meets Top Aides; Discusses Topical Issues *[ITAR-TASS]* 18
Russia: Primakov Briefs Yeltsin on Results of Recent Trips *[Moscow ORT]* 18
Russia: Yeltsin Submits Free Trade Agreement for Ratification *[ITAR-TASS]* 19
Russia: Chernomyrdin, Duma Chairman Seleznev Meet 4 Mar *[INTERFAX]* 19

Russia: Yeltsin Urged To Name Presidential Team in Advance *[KOMMERSANT-DAILY 2 Mar]* 19
Russia: Gorbachev Explains Decision To Run for Presidency *[Turin LA STAMPA 4 Mar]* 21
Russia: Zyuganov Registered as First Presidential Candidate *[ITAR-TASS]* 22
Russia: Zyuganov 'Skeptical' About Opponents' Program *[Moscow NTV]* 23
Russia: Daily Sees Yeltsin as Sole Viable Candidate *[ROSSIYSKAYA GAZETA 1 Mar]* 23
Russia: Satarov: Yeltsin's Reelection Chances 'Good' *[Turin LA STAMPA 3 Mar]* 25
Russia: Gaydar Discusses Presidential Strategy, Relations *[MOSKOVSKIYE NOVOSTI 11-18 Feb]* 27
Russia: TsIK Issues Decree on Signature Collection *[ROSSIYSKAYA GAZETA 2 Mar]* 30
Russia: CPRF's Presidential Election Strategy Analyzed *[MOSKOVSKAYA PRAVDA 21 Feb]* 31
Russia: Power Struggle Seen Within Yeltsin's Campaign *[KOMMERSANT-DAILY 5 Mar]* 34
Russia: Paper Views Electoral Commission Instruction *[ROSSIYSKIYE VESTI 2 Mar]* 35
Russia: APR's Lapshin Criticizes Yeltsin's 'Land Edict' *[SELSKAYA ZHIZN 2 Mar]* 37

Media Issues

Russia: Poptsov Denies Financial Violations *[PRAVDA-5 1-8 Mar]* 37

Military & Nuclear Issues

Russia: Federal Military Cooperation Program Nears Completion *[ITAR-TASS]* 39
Russia: Grachev Charged With 'Deviating' From Court Decision *[INTERFAX]* 39
Russia: Daily Skeptical About Wage Arrears Settlement *[KRASNAYA ZVEZDA 2 Mar]* 40
Russia: Minister Outlines Future of Nuclear Power Industry *[ITAR-TASS]* 40

Regional Affairs

Russia: Western Diplomats Show Interest in Kabardino-Balkaria *[RABOCHAYA TRIBUNA 2 Mar]* 41
Russia: Lukashenka Visits Khanty-Mansiysk Oil Region *[ROSSIYSKAYA GAZETA 2 Mar]* 41
Russia: International Organizations Evacuating Sernovodsk Residents *[ITAR-TASS]* 42
Russia: Chinese Ephedrine Smuggling Poses Problem in Khabarovsk *[ROSSIYSKAYA GAZETA 2 Mar]* 42
Russia: St Petersburg Mayor Upgraded to Governor Status *[ROSSIYSKAYA GAZETA 1 Mar]* 42
Russia: Pacific Fleet Repair Plants Hold Protests *[INTERFAX]* 43

Economic Issues

Russia: Experts Pessimistic on Economic Outlook *[FINANSOVYYE IZVESTIYA 29 Feb]* 43
Russia: Fuel, Energy Sector's Vital Role Stressed *[TRUD 29 Feb]* 44
Russia: Moscow Savings Bank Cuts Interest Rate *[TRUD 5 Mar]* 46
Russia: Foreign Currency Restrictions on Land Deals Abroad Lifted *[ITAR-TASS]* 46
Russia: Talks Continue on Ob Oil Field's Development *[ROSSIYSKAYA GAZETA 1 Mar]* 46

UKRAINE

International Affairs

Ukraine: Russian Duma Speaker Seleznev's Visit Viewed *[VECHIRNIY KYYIV 29 Feb]* 48
Ukraine: Aides Concealed Duma Group Visit From Kuchma *[HOLOS UKRAYINY 1 Mar]* 48
Ukraine: Military Assists Russian 14th Army Withdrawal *[UNIAN]* 49
Ukraine: Marchuk, Iran's Velayati Discuss Trade Project *[Kiev TV]* 49
Ukraine: Foreign Ministry Condemns Middle East Terrorism *[Kiev TV]* 49
Ukraine: China Offers Security Guarantee as Nuclear-Free State *[UNIAR]* 49
Ukraine: Country's Role in Settling Dniester Conflict Viewed *[HOLOS UKRAYINY 21 Feb]* . 50

National Affairs

Ukraine: Constitutional Draft 'Victory' for Kuchma *[INTELNEWS]* 51

Ukraine: Kuchma Decrees State Support for Noncommercial Periodicals *[Kiev TV]* 51
Ukraine: Prime Minister Reprimands Gas Industry Bosses *[UNIAN]* 52
Ukraine: Defense Ministry Briefs Media on Talks With Russia *[UNIAN]* 52
Ukraine: Broadcasting 'Chaos' in Crimea Viewed *[Moscow International]* 52
Ukraine: Minister Fears Repeat of Chernobyl Explosion *[INTERFAX]* 53

WESTERN REGION

Belarus

Belarus: Yeltsin-Lukashenka Joint Statement Published *[ZVYAZDA 29 Feb]* 54
Belarus: Lukashenka Briefs Media on Results of Moscow Visit *[BELAPAN]* 54
Belarus: Lukashenka Elaborates on Pact With Moscow *[Minsk TV]* 55
Belarus: President Rules Out Sending Troops to Chechnya *[INTERFAX]* 56
Belarus: Chyhir, Myasnikovich Comment on Agreements With Russia *[Minsk TV]* 56
Belarus: Minister Praises Debt Cancellation Accord With Russia *[INTERFAX]* 56

Moldova

Moldova: Russian Commander Offers Troops for Peacekeeping *[INTERFAX]* 57
Moldova: Russia Restarts Equipment Removal From Dniester Area *[ITAR-TASS]* 57
Moldova: Polish Deputy Prime Minister Urges Increase in Trade *[BASAPRESS]* 57
Moldova: Official Views Need for Customs Settlement With Ukraine *[INFOTAG]* 58

CENTRAL ASIA

Kazakhstan

Kazakhstan: Article Criticizes Results Produced by Foreign Managers *[KARAVAN BLITZ 28 Mar]* 59

Kyrgyzstan

Kyrgyzstan: President Appoints New Prime Minister *[Bishkek Radio]* 60
Kyrgyzstan: President Forms New Government; Many Ministers Retain Posts *[INTERFAX]* .. 60
Kyrgyzstan: President's Staff Given Greater Powers *[Bishkek Radio]* 60
Kyrgyzstan: Russia's Nikolayev Signs Accord on Border Cooperation *[ITAR-TASS]* 61
Kyrgyzstan: Iran's Velayati Tours Kyrgyzstan *[INTERFAX]* 61
Kyrgyzstan: Velayati Holds Talks on Economic Cooperation *[Bishkek Radio]* 61

Tajikistan

Tajikistan: Russian Border Service Chief Signs Four Documents *[ITAR-TASS]* 62
Tajikistan: General Nikolayev Interviewed Upon Arrival *[Moscow RTV]* 62
Tajikistan: Russia's Nikolayev Comments on Peace Prospects *[ITAR-TASS]* 63

CAUCASUS

Azerbaijan

Azerbaijan: Good Relations With Israel Said Behind Iran's 'Indignation' *[TURAN]* 64
Azerbaijan: Armenian Views Iran, U.S. Caucasus Moves *[GOLOS ARMENII 27 Feb]* 64

Georgia

Georgia: Shevardnadze Edict on Eurasian Corridor Problem Center *[SAKHALKHO GAZETI 20 Feb]* 66

Georgia: Shevardnadze Creates Consultative Economic Council *[SAKARTVELOS RESPUBLIKA 21 Feb]* 66
Georgia: Peacekeeping Forces' Commander Interviewed *[KRASNAYA ZVEZDA 1 Mar]* 67
Georgia: Humanitarian Aid Scandal Reported in South Ossetia *[PRAVDA 5 Mar]* 68

BALTIC STATES

Lithuania

Lithuania: Brazauskas Sends Condolence Message to Israeli President *[ELTA]* 70
Lithuania: Polish President Praises Relations With Vilnius *[ELTA]* 70
Lithuania: Border Agreement With Poland Initialled *[ELTA]* 70

Russia: Grachev Reiterates Readiness To Meet With Dudayev

LD0403183696 Moscow Russian Television Network in Russian 1700 GMT 4 Mar 96

[Video report by correspondents R. Babayan and V. Zhanenko, including recorded comments by Russian Defense Minister Pavel Grachev; from the "Vesti" newscast]

[FBIS Translated Text] Russian Defense Minister Pavel Grachev arrived in Groznyy today. He is inspecting units in the Moscow and North Caucasus Military Districts.

[Correspondent] Security was tight in the area of Groznyy's Severnyy airport. Checkpoints were not letting anyone through without a pass. However, despite all the security measures, nobody seems able to guarantee the minister's safety because in Groznyy at the moment you cannot distinguish civilians from rebels. In the airport, Grachev said he was willing to meet any Chechen field commander and even with Dzhokhar Dudayev himself.

[Grachev] I support a peaceful solution above all else, so if he wants me to go or fly to him in his canyon he should just call me, if he's a man of course. But in any event, no mercy can be shown where the gangs are active and where they shoot at us. I am ready to order even tighter surveillance and reconnaissance, and for each shot fired at us we will fire back a 1,000 times.

[Correspondent] Grachev's words seem a little strange to many, since in the past he has often ruled out any talks with bandits who kill our soldiers. Not only that, but he has said they must all be wiped out. Meanwhile, Grachev is not against talks with Chechen elders or leaders. He denied reports that he represents the so-called party of war, saying that the Chechnya problem has to be solved by peaceful means above all others. Many here in Chechnya are convinced that Moscow has started putting into effect one of its plans prepared earlier to resolve the situation.

Russia: Grachev Groznyy Visit Linked to Yeltsin Reelection Bid

MM0403204796 Moscow KOMSOMOLSKAYA PRAVDA in Russian 5 Mar 96 p 2

[Report by Viktor Sokirko: "Grachev Prepared To Conduct Dialogue With Dudayev. Defense Minister Arrived in Groznyy Yesterday. Bringing Peace?"]

[FBIS Translated Text] Here is a piece of news verging on the sensational: During his trip to Chechnya, the Russian defense minister has stated that he is prepared to meet with the president of Ichkeria in order to conduct talks. Whereas, of the "seven existing options" for achieving peace, hitherto only one has been used — the scorched-earth tactic — no doubt we will find out about another one soon. At least, the unexpected readiness for dialogue with Dudayev expressed through the lips of Pavel Grachev testifies to a great deal.

The Russian defense minister's "peacemaking" visit itself was a classified act in accordance with all the rules of military science. Originally Army General Grachev was meant to have flown out to Voronezh, and the mass media were informed of this. There he planned to "consecrate" the military installation, built by the Germans, that has been put up for the former 20th Army, which has been withdrawn from Germany. Pavel Grachev arrived in Voronezh according to schedule. But from there, the military airplane headed for Groznyy, which became known at the very last moment. Indeed, the actual statement made by the head of the military department about the possible start of talks with Dudayev was kept a strict secret. It came as a surprise not only to the military, but also to government circles. All the indications are that Pavel Grachev was given the "go-ahead" for the tactical move directly from Boris Yeltsin, and it is possible that the presidential "blessing" came at the last moment.

The war in Chechnya is perhaps the main stumbling block in Boris Yeltsin's election campaign. Once this is removed, the president will indubitably gain extra points with the electorate. The president has already made numerous reshuffles among the military and political leadership "dropped into Chechnya," but this has not resulted in anything. The dismissal of Nikolay Semenov, head of the administration of the federal organs of executive power in Chechnya ("at his own request"), is unlikely to bring about the desired result either. That is why the president needed a non-traditional move, in order to somehow ease the burden of responsibility for the introduction of troops into Chechnya which he is shouldering.

The Security Council sitting, which he has set for this week, also testifies to the fact that the settlement of the Chechen conflict has become the Russian president's main headache. From what Sergey Medvedev, the president's press secretary, has said, Boris Yeltsin "is actively preparing for this sitting, and is discussing the Chechnya problem at practically every working meeting." Evidently, Grachev has been sent to Chechnya with strict instructions to secure some kind of peace initiatives. And if the defense minister's meeting with the president of Ichkeria does nevertheless take place, then, even if it is not "momentous," it will be possible to talk about broad Russian peace initiatives.

...Meanwhile fighting continues in Chechnya. As Pavel Grachev arrived in Groznyy, the "clearing" of the locality by federal troops in the area of the Chechen village of Sernovodsk was continuing. War is continuing for the moment.

Russia: Basayev: 'We Will Drown Russia in Blood'

BR0403151396 Madrid EL MUNDO in Spanish
2 Mar 96 p 22

[Interview with Chechen guerrilla commander Shamil Basayev by Francisco Herranz in Vedeno; date not given: "We Should Spit on the Entire World for Tolerating this Injustice"]

[FBIS Translated Text] Vedeno (Chechnya) — Shamil Basayev, 31, is the star commander of the Chechen guerrilla force which has been fighting Russia since December 1994. He became famous in June 1995 after attacking a hospital in the Russian city of Budennovsk and holding more than 1,000 people hostage there.

Considered a terrorist by Moscow and holed up in the mountains of the Caucasus, Shamil Basayev granted an interview to this special envoy last Sunday during which he said he is fighting a "bullfight with the Russian bears."

[Herranz] Do you think that a victory by the Communists at the presidential elections could put an end to the war in Chechnya?

[Basayev] The Communists, Zyuganov, the so-called reformers, and Yeltsin are all the same to me. They are all Russian and we will continue to fight until they stop being chauvinistic.

[Herranz] Do you not think that the West is afraid of Russia and that is why it is saying nothing?

[Basayev] The West says that it is the vanguard, but its freedom is for it alone. There is a double standard. Where is the West's democracy? That is not democracy. It is a rotten system, a plutocracy. Moreover, Moscow is financing the war in Chechnya with the credits it receives from the IMF. The Russians want all the villages in the republic to sign a document promising not to bother the government of Doku Zavgayev (the current pro-Russian prime minister of Chechnya). This shows that Zavgayev's power is built on Russian bayonets and Chechen blood. If the bombardments continue we will drown Russia in blood. Russia is using our land as a testing range to try out its new bombs and airplanes.

The Russians and their government began this war. The Russians are allowing their government to commit genocide. If the Russian people do not want this war, then they should stop it. We should spit on Russia — and the entire world — for tolerating this injustice and bringing dishonor to my people.

[Herranz] Under what conditions could the war be stopped?

[Basayev] If Russian troops withdrew from Chechnya, and if free and democratic elections were held in compliance with international law and with the participation of all interested parties under the supervision of international observers, including the Russians. After that, a referendum could be held on whether or not the Chechens want to be part of Russia. No other way is possible. We are not criminals. Yeltsin is the criminal, as are his men whose arms are dripping in blood.

[Herranz] Do you think that the Russian troops will withdraw?

[Basayev] No. They will only withdraw by force.

[Herranz] How do you assess the situation within Chechen society, which is divided between those to want independence and those who want to remain part of Russia?

[Basayev] There is a confrontation between Doku Zavgayev and all the people. The people are against Russia. If they favored Russia, they would not have put up with this situation for so long — not even for a month, yet this has been going on for more than a year. I feel the support of the people.

[Herranz] What is your reaction to Yeltsin's statement that you and Dudayev should be shot?

[Basayev] I spit on it. If Yeltsin and his cronies are judged, then I will go voluntarily to an international tribunal. Otherwise I will not.

[Herranz] Do you think it is appropriate to carry out actions similar to those at Budennovsk and Kizliar (where another Chechen leader, Salman Raduyev, kidnapped around 100 Russians)?

[Basayev] No. Because the Budennovsk action was a coincidence. We were sorry that we occupied the hospital when the Russian troops bombed it mercilessly.

[Herranz] What do you think of Salman Raduyev's operation?

[Basayev] I knew that Raduyev had to destroy a helicopter base and an airplane factory. To do that he needed 10 or 20 men, but he showed up with 300. To make it from Chechnya to Kizliar, Raduyev paid bribes of $20,000. However, he overdid it and was sanctioned. At the same time he was also given a medal.

[Herranz] Where were your guerrilla fighters trained? Do the Turks help you?

[Basayev] From April to June 1994 I was in Afghanistan with 30 men. On my own behalf. Asking for loans from my friends. Humanitarian aid came from Turkey, but the Russian soldiers ate it. The Chechen soldiers were not trained in the Georgian republic of Abkhazia.

[Herranz] Do you have Afghan and Jordanian guerrilla fighters?

[Basayev] Yes, but no more than 50. There are also Russians and Ukrainians.

[Herranz] Tell us about Budennovsk.

[Basayev] I chose the fighters myself. There were many volunteers. I told them that we were going to Groznyy and that they had to be trained. At one crossroads, I insinuated that it would be better to advance toward Russia, to a place that I had given careful thought to. But we could not make it there and we ended up in Budennovsk. I did not tell them the specific place because I still have the possibility of using the other plan.

[Herranz] What did you think of your negotiations with Viktor Chernomyrdin?

[Basayev] At first I was surprised that he called me on the phone. I thought that maybe there were still normal people in Russia. Later, however, I realized that Chernomyrdin was also part of the same group. He was not in control of the situation. We were offered $10 billion and an airplane to flee abroad, say to Iraq.

[Herranz] What mistakes did Dudayev make?

[Basayev] I think he made the mistake of not creating a regular Army during those four years. When he was reproached for that, Dudayev told me that he did not think that Russia was going to invade us. We all hoped that it would not.

Russia: Reconstruction Money Said Source of Dudayevites' Finance

MM0403165496 Moscow KRASNAYA ZVEZDA in Russian 2 Mar 96 p 1

[Report by Vladimir Gavrilenko and Anatoliy Stasovskiy: "How Russian Money 'Disappears' in Chechnya"]

[FBIS Translated Text] Day in day out Russian Federation President Boris Yeltsin declares that he has chosen a means of settling the Chechen conflict from the many options on offer. As you know, plenty of competent experts and specialists have been working on these scenarios on the Russian head of state's instructions. Investing money in the reconstruction of the republic's economy and social sphere is still considered one of the main options. The idea is that a return to a normal life will also affect the political atmosphere in Chechnya and that the "spawning" ground for armed conflict will gradually disappear. A noble idea of course. There will hardly be anyone likely to make serious objections. Were it not for one "but"....

No war has ever managed without money. There is a direct link here: Those with more money win more victories. The armed conflict in the Chechen Republic is no exception either. It is therefore clear that the federal troops — which are funded at central level, by the budget, albeit in paltry amounts and with some difficulty — were able to smash the Dudayevite gangs' resistance and by summer last year drive scattered detachments of Dudayevites high into the mountains. Everyone thought then that the conflict should end there. But then came the sudden, inexplicable "breathing space," of which plenty has already been written and said. In this time Dudayev's defeated "armies" restored their combat capability and considerably replenished not just their arsenals but also their manpower and ultimately appeared quite ready to put up resistance once more. Let us recall just one detail of the summer of 1995 — how the guerrillas gave up their old weapons with ostentatious ease under the accords.... Because at the same time new ones appeared in far larger quantities. As you know, serious money was needed to buy these weapons. At the time there was talk of Dudayev's petrodollars and foreign financial backing for the regime..... That may be true to some extent. But only to some extent. Because it seems that the Dudayevites obtained and are continuing to obtain a considerable proportion of the funds used to prosecute the war from the money that Russia has been channeling into the reconstruction of Chechnya virtually from the very start of the conflict.

We are not familiar with all the mechanisms whereby state money is being channeled into the guerrillas' pockets. Nonetheless some of them are plain to see. For some reason it looks as though the huge sums of money earmarked by the Chechen Republic leadership for the republic's rayons are often carried without guards in the trunks of private vehicles down routes known to countless people. For some reason compensatory payments to the population are made without proper checks and as a result money disappears who knows where (although it is not that hard to guess). Guerrillas and bandits infiltrate the republic's banks with staggering ease. Funding of reconstruction work has not hitherto come under serious supervision. Dozens of state motor vehicles and pieces of construction equipment are disappearing. The oil that people have long said will cover all the investment in the reconstruction of the Chechen Republic's economy is mainly ending up by some means at illicit oil "refineries" and has for a long time now been turning up on the private market in the form of gasoline....

These thin streams and rivulets, evidently along with many others, are joining the flood (notwithstanding the army's current funding situation) and are getting lost in Chechnya's mountain areas. Which is where by strange coincidence the Dudayevites' main bases are situated. Afterwards the "master" of these bases and hiding places said with his customary aplomb that the war will go on for several more decades. It seems that will be the case if these rivers are not dammed.

However, the federal authorities are also coming to realize that now. There is talk of the need to suspend funding until the end of the war, which is quite logical. Since there are still two masters in Chechnya now — the "daytime" and the "nocturnal" masters. The former notes receipt of federal money, while the latter distributes it.

Russia: Chechen Minister Seeks Coordination With Federal Troops

LD0403213696 Moscow INTERFAX in English 1940 GMT 4 Mar 96

[FBIS Transcribed Text] GROZNYY, Mar 4 (Interfax) - Chechen Deputy Prime Minister Abdulla Bugayev believes there must be an effective mechanism of mutual commitments between the Chechen Government and the federal troop command.

"Federal troops need not carry out a military operation in response to each shot in their direction," he told Interfax Monday.

Commenting on the events in Sernovodsk, he said that "an action that would have created good preconditions for peace in the region was to be held in the village on March 3, at 1000.

"However, before leaving for Sernovodsk we were informed of the beginning of combat activities in the village," he said.

Both the military and the local authorities deny involvement in the incident, Bugayev said.

He said about 10,000 refugees from Sernovodsk are currently in neighboring Ingushetia. The Ingush government has set up a hospital and a registration center for the refugees. "We are very grateful to the government of the republic," said Bugayev.

Military activities in Sernovodsk are already over, and there are casualties among civilians, he said.

Bugayev said Russian Defense Minister Pavel Grachev was informed of the Chechen government's point of view on the events in Sernovodsk Monday. Chechen leaders met with Grachev in Groznyy Monday to discuss variants of peaceful settlement and economic reconstruction in Chechnya.

Russia: Raduyev Appropriates Funds Intended for Kizlyar Operation

LD0403174296 Moscow Mayak Radio Network in Russian 1600 GMT 4 Mar 96

[FBIS Translated Text] Groznyy Television reports that Field Commander Salman Raduyev has appropriated for himself part of the $1.5 million allocated for the Kizlyar operation. The relevant financial document was shown on television. Sources within the Chechen competent bodies note that the leaking of such a document is a result of increasing disagreements within Dudayev's entourage, primarily between Salman Raduyev and Shamil Basayev. The sources believe that the successful completion of the Kizlyar operation pushed Raduyev into first place among the field commanders.

Russia: Chechen Rebels Kill Commander; Raduyev Injured in Ambush

LD0403174896 Moscow ITAR-TASS in English 1658 GMT 4 Mar 96

[By Aleksandr Kharchenko]

[FBIS Transcribed Text] GROZNYY, March 4 (Itar-Tass) — A Chechen field commander, identified only as Palach (Butcher), was killed by rebels on a motorway between Starye Atagi and Urus-Martan in Chechnya on Sunday, sources in Chechen law enforcement told Itar-Tass.

According to the sources, Butcher and Salman Raduyev, who masterminded an attack on the Dagestani town of Kizlyar in January, accompanied by body guards, ran into an ambush.

Butcher and his men were killed, whereas Raduyev was seriously wounded in the head, the sources said.

Butcher was nicknamed so for his atrocities. He himself tortured and killed a Russian pilot in February, 1995, the sources said.

This fact manifests contradictions which are tearing apart gangs of Chechen rebels. Late at night on Thursday, a 15 to 20 militants from the group of field commander Turpal, one of Raduyev's followers, attacked the latter's squad and killed five of his men, the sources said.

The assailants accused Turpal and Raduyev of treason because, they said, they did nothing to help save their captive comrades-in-arms from Russian custody.

After the shooting, the militants headed for an unknown direction. They did not return to Turpal's group, according to the sources.

Russia: Exchange of Fire in Sernovodsk Ceases, Three Killed

LD0403222096 Moscow Radio Rossii Network in Russian 2100 GMT 4 Mar 96

[FBIS Translated Text] This afternoon's exchange of fire between Dudayev's militants and subunits of the federal troops in the Chechen village of Sernovodsk has ceased. However, Abdula Bugayev, deputy prime minister of the Chechen Government, believes that this cease-fire is hardly connected with the beginning of peace talks.

A government commission left for the area of Sernovodsk on 4 March.

Twenty seven wounded residents of Sernovodsk were taken to the hospital in the capital of Ordzhonokidzevskaya in Ingushetia; three of them have died.

The Ingushetian Internal Affairs Ministery also reports that refugees from Sernovodsk continue to arrive in the republic — there are already some 6,000 — and the leadership of Ingushetia expects the federal authorities to take effective measures to create temporary housing for the refugees and to organize medical aid and food.

Russia: Troops Seal Off Sernovodsk Village in Chechnya

LD0503113196 Moscow ITAR-TASS World Service in Russian 0943 GMT 5 Mar 96

[By ITAR-TASS special correspondent Aleksandr Kharchenko]

[FBIS Translated Text] Groznyy, 5 March — There was no active fighting this morning in Sernovodsk, a representative of the press center of the federal troop command in Chechnya told an ITAR-TASS correspondent. He said the village is still sealed off, although Russian Defense Ministry units have not entered Sernovodsk, are not firing, and "are only returning fire." [as received] A motorized rifle position came under automatic fire at 1710 on Monday on the southern outskirts of Sernovodsk, and one serviceman was wounded.

The military claim that of the 27 wounded residents of Sernovodsk taken to hospitals in Ingushetia, "according to operational information, 20 are gunmen."

According to a report from Ruslan Maysigov, the ITAR-TASS correspondent in Nazran, a security corridor was reopened at 1000 Moscow time today for civilians leaving Sernovodsk, where the operation by federal troops against Dudayev's gunmen has been going on for several days. The refugees are gathering at a road block 1 kilometer away from the village, and from there convoys of Emergency Ministry trucks are taking them to Ingushetia. Occasional shots can be heard from within the village itself.

The Ingushetian migration service had registered 7,520 refugees from Sernovodsk by this morning, but registration is continuing and, according to provisional information, the number of refugees already exceeds 16,000.

Russia: Ingush President Says Federal Action in Sernovodsk Illegal

LD0403212696 Moscow INTERFAX in English 1940 GMT 4 Mar 96

[FBIS Transcribed Text] NAZRAN, Mar 4 (Interfax) — Ingush President Ruslan Aushev believes that the action taken by federal units in the Chechen village of Sernovodsk is illegal.

Civilians account for most of the victims of the operation against Chechen separatists, Aushev told Interfax Monday.

Ingushetia has been helping Sernovodsk residents who had no intention of fighting for more than a year with finances and foodstuffs, he said.

The federal command did not even attempt a peaceful dialog. Thousands became refugees as a result, he continued.

Over 10,000 refugees came to Ingushetia from Sernovodsk during the hours of daylight, of whom 7,600 have been officially registered and 26 rushed to hospitals in the village of Ordzhonikidzevskaya and Nazran, Aushev said.

Aushev emphasized that Ingushetia now faces a serious humanitarian problem, every third resident of the republic being a refugee.

Russia: Sernovodsk Refugees 'Flood' Ingushetia

LD0403180496 Moscow INTERFAX in English 1605 GMT 4 Mar 96

[FBIS Transcribed Text] NAZRAN, Mar 4 (Interfax) — Ingushetia is unable to deal with the flood of refugees from the Chechen village of Sernovodsk and must ask the Russian government for urgent aid, a high-ranking official at the Ingush government told Interfax Monday.

About 6,000 refugees have already arrived in Ingushetia from Sernovodsk, where federal troops are carrying out an operation against rebels loyal to Chechen separatist leader Dzhokhar Dudayev, he said. In total, the government expects up to 15,000-17,000 refugees, said the source.

There are currently about 100,000 refugees from the Prigorodny district of North Ossetia and Chechnya in Ingushetia, and the "new flood of refugees has put the republic in a critical situation," he said.

The Ingush leadership expects the federal authorities to take effective measures to provide the refugees with temporary residences, medical assistance and food, he said.

CIS: ITAR-TASS Carries Press Review for 5 Mar

LD0503062496 Moscow ITAR-TASS in English 0606 GMT 5 Mar 96

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW March 5 (Itar-Tass) — Follows a review of Tuesday's Moscow-based Russian newspapers dated March 5.

IZVESTIYA on Monday's Moscow subway fire.

In a detailed account of the incident, the newspaper gives the opinion of Ye. Koshelev, Head of the Metrostroy joint-stock company, who believes that the technical equipment of the Moscow subway on the old interstation sections has been worn out to such an extent that incidents similar to the one which happened on Monday morning may recur with more serious consequences.

ROSSIYSKIYE VESTI on the Presidential election campaign.

"Russia is again faced with a crucial choice. In such a situation, a high degree of organisation, self-discipline and — optimism — are utterly important for those who want to win.

"Unfortunately, in recent years, the Democrats, unlike the Communists, for example, acted not just disunitedly but quite often even to the detriment of one another, to spite one another. This apology for such a policy culminated in the defeat of the reformist forces at the Duma elections.

"The Democrats miss opportunities. They have forgotten how to speak to people and have already lost a good deal in this respect to the Communists and the Zhirinovskiy men who have long been busy canvassing votes at cultural centres, at the places of people's residence and in work collectives."

IZVESTIYA on the same subject.

The newspaper reprints, without comment, excerpts from an interview given by a Russian presidential contender, Communist Party leader Gennadiy Zyuganov to Newsweek magazine and published in its issue dated March 11.

This is what Zyuganov said in response to the magazine's question: 'The danger lies in a continuation of the current policy which impoverishes every second person, renders every fifth one hungry and jobless. If we go ahead with the current policy, that would lead to mass riots and protests. This would be dangerous not only to Russia but to all countries as well'.

IZVESTIYA on the eventuality of Gennadiy Zyuganov's win.

The newspaper carries a feature story, the writer of which visited Mymrino village, the birthplace of Zyuganov.

"As long as Zyuganov remains the leader of the Communist Party of the Russian Federation, his views of the country's history do not seem particularly surprising.

"Although those views contradict facts, they reflect the opinion of the electorate. After all, Stalinist times still seem to many a Communist as being touchingly fair. But Zyuganov is also a presidential contender. Would not we be in for a historical revision in the event of his win after June 16?"

SOVETSKAYA ROSSIYA on the 43rd anniversary of Iosif Stalin's death.

The newspaper runs an analytical article of Russia's Political Culture Research Centre under the headline "Iosif Stalin. An unfinished epitaph".

"Anyhow, Stalin created and fostered the greatest world power. Which his latter-day critics and haters proved utterly uncapable of accomplishing!"

"In people's mind, Stalin becomes not just a symbol of national statehood and territorial integrity of the Power, but also a motive for political action in defence of sovereignty as the essence of the existence of historical Russia in any of its possible roles".

KOMSOMOLSKAYA PRAVDA on the lack of interest in the preservation of Pushkin legacy.

"The authorities are lacking any interest in the preservation of the Pushkin House. This is a fact. My appeals remained unanswered. Everything is being done so far for Russian culture to become extinct," Dmitriy Likhachev has told the newspaper in an interview.

CIS: CIS Economic Statistics for 1995

MM0503093896 Moscow ROSSIYSKAYA GAZETA in Russian 2 Mar 96 p 9

[Unattributed report: "More Potatoes, Fewer Machine Tools. CIS Interstate Statistical Committee Sums Up Preliminary Results for 1995 Submitted by CIS Statistical Organs" — from the "Economic Union" section]

[FBIS Translated Text] Last year saw a slowdown of the economic recession in all the CIS countries. GDP in the Commonwealth as a whole fell by 5 percent in 1995 as opposed to 15 percent in 1994, and the volume of industrial output was 6 percent down as opposed to 23 percent down in 1994.

There was a revival in production in a number of sectors. Thus, in Belarus chemical and petrochemical industry output was up 9 percent, while fuel industry output was up 10 percent. In Kazakhstan nonferrous metals production was up 2 percent, chemical and petrochemical industry output was up 8 percent, ferrous metallurgy was up 9 percent, instrument making was up 10 percent, and automobile production was up 5 percent. In most countries the potato, vegetable, sugar beet, and sunflower crop increased. Foreign trade volumes increased — exports were up 19 percent and imports 17 percent on average throughout the Commonwealth.

At the same time, recessionary trends have not been reversed. The decline in production volumes, capital investment (16 percent down for the Commonwealth on average in 1995), general purpose transport shipments (16 percent down), and retail trade turnover (10 percent down) has continued. Grain harvests were 17 percent down on average across the Commonwealth, and production of the main types of stockraising products fell.

There continues to be a state budget deficit in most countries. The money supply increased in all countries. At the same time, stabilization trends were noted in the national currencies.

The decline in the population's living standards continues. In 1995 real disposable incomes were down 17.7 percent in Azerbaijan, 22.5 percent in Belarus, 13.9 percent in Kyrgyzstan, and 13 percent in Russia.

Industrial producer prices increased by 370 percent on average in the Commonwealth countries in 1995, consumer prices for foodstuffs were up 250 percent, while prices for nonfood goods increased 200 percent. Rates for paid services increased even more. The proportion spent by the population on food increased, hitting 50-70 percent of all spending on the acquisition of goods and services.

At year's end 3.4 million people were on the books of the Commonwealth countries' employment services, and the labor supply on average was seven times greater than the supply of available jobs. The level of part-time working remains high.

The overall size of the Commonwealth's population, according to preliminary figures, did not change in 1995 and stood at 285.3 million in early 1996. The populations of Azerbaijan, Armenia, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan increased, while those of Belarus, Georgia, Kazakhstan, Moldova, Russia, and Ukraine decreased.

Commonwealth Countries' Main Socioeconomic Indicators (1995 As Percentage of 1994; Volume Indicators in Constant Prices)

[In the following table, the headings denote: A — GDP; B — Total industrial output; C — Gross agricultural output; D — Capital investment; E — Consumer price index, times; F — Retail trade turnover through all sales outlets]

	A	B	C	D	E	F
Azerbaijan	82.8	78.6	95	28	5.1	103.0
Armenia	105.2 (2)	102.4	102.5	[blank]	2.8	154.0
Belarus	90	88.5	94	73	8.1	74.7
Georgia	[blank]	90.2	90 (*)	[blank]	1.6 (3)	255 (1)
Kazakhstan	91.1	92.1	79 (*)	73	2.8	91
Kyrgyzstan	93.8	87.5	91	165	1.5	91.3
Moldova	97	94.0 (4)	106.5	76 (4)	1.3 (4)	95.8(1*)
Russia	96	97	92	87	2.3 (3)	93
Tajikistan	87.6	94.9	72 (*)	75	5.0 (*)	23.7(1)
Turkmenistan	[blank]	93.1	90 (*)	[blank]		
Uzbekistan	99 (*)	100.2	97	102	4.2 (*)	92.2
Ukraine	88	88.5	90	65	2.8 (3)	86.8(1)
Average	95	94	90	84	3.5 (*)	89.5(1)

	A	B	C	D	E	F
across CIS						

(1) Officially registered enterprises

(2) January-November

(3) December on December

(4) Excluding figures for left bank of the Dniester and Bendery

(*) Estimated

CIS: Moscow Not To Reinforce Troops on Tajik-Afghan Border

LD0403180596 Moscow INTERFAX in English 1655 GMT 4 Mar 96

[FBIS Transcribed Text] DUSHANBE, March 4 (Interfax) — There are no plans to reinforce the group of Russian border guards defending the CIS southern borders in the area on the Tajik-Afghan border, Director of the Russian Federal Border Guard Service Andrey Nikolayev told an Interfax correspondent in Dushanbe, the Tajik capital.

To step up the defense of the Tajik-Afghan border, where the situation is "far from absolutely calm," it is necessary to ensure "better interaction between all forces existing in the republic," Nikolayev said.

He also said he deemed it necessary to maintain the presence of the mission of U.N. military observers in Tajikistan and develop cooperation between the CIS countries for the defense of their southern borders.

Nikolayev said that he and Tajik President Emomali Rakhmanov had considered problems regarding the maintenance of security on the Tajik-Afghan border during their meeting on March 4. The Tajik-Afghan border is now protected by border guards from Kazakhstan, Kyrgyzstan, Uzbekistan, Russia and Tajikistan.

Nikolayev quoted Rakhmanov as saying that he considers it necessary to coordinate efforts made by the border guards in order to prevent provocations or penetration by guerillas into Tajikistan over the border to replenish armed opposition units in the country. "I share this position," Nikolayev said.

Nikolayev also voiced the hope that the Tajik government and the Tajik opposition leadership would extend the agreement on the cease-fire on the Tajik-Afghan border and in Tajikistan in the near future. The agreement expired on February 26.

Nikolayev is currently on a visit to Tajikistan.

Russia: Foreign Ministry Condemns Latest Terrorist Act in Israel

LD0403154296 Moscow Russian Public Television First Channel Network in Russian 1500 GMT 4 Mar 96

[From the "Novosti" newscast presented by Igor Vykhukholev]

[FBIS Translated Text] The Russian Foreign Ministry has resolutely condemned the terrorist act in Jerusalem.

The Foreign Ministry has issued a statement which says the pain and emotions caused by this latest terrorist sortie will not shake the resolve of those who are taking part in the process of the Palestinian-Israeli settlement to follow the only correct path of continuing with constructive dialogue and the search for mutually acceptable accords.

Russia: Foreign Ministry Reproaches U.S. Over Cuba Economic Embargo

LD0403174596 Moscow INTERFAX in English 1605 GMT 4 Mar 96

[FBIS Transcribed Text] MOSCOW, March 4 (Interfax) — Russia's Foreign Ministry on Monday reproached the United States for violating international law in its response to the recent shooting down of two planes by the Cuban Air Force, the Foreign Ministry said.

"Russia, like most members of the world community, considers the economic embargo against Cuba and, moreover, measures to toughen it as in contradiction of the widely recognized norms of international law and as an infringement on the legitimate interests of sovereign states," the statement from the Foreign Ministry, forwarded to Interfax, said. Russia is building its relations with Cuba on a deideologized basis, proceeding from its national interests, above all economic, it said.

Russia is concerned about the aggravation of relations between Cuba and the United States in the wake of the recent air incident near the Cuban coast, the ministry said.

Russia is alarmed about the statements by some Cuban opposition leaders that they intend to continue flights near Cuba and hold protest actions in the vicinity of the island, the ministry said. "Undoubtedly, such actions do not promote normalization of the situation in this region and are fraught with dangerous consequences," it said.

"The steps taken by the U.S. Congress to hurriedly pass the Helms-Burton bill attract attention against this background," according to the document.

This bill envisions much tougher sanctions against Cuba and its trade and economic partners. The Russian Foreign Ministry believes it contains provisions affecting Russia's interests.

"Russia will widen trade and economic cooperation with this country, strictly observing the principles of equality and mutual benefits," according to the document.

Russia: Embargo Against Cuba Seen as Contrary to International Law

LD0403163696 Moscow ITAR-TASS in English 1610 GMT 4 Mar 96

[By Tatiana Selivanova]

[FBIS Transcribed Text] MOSCOW, March 4 (Itar-Tass) — Russia regards economic embargo against Cuba and particularly its further toughening as contravening "the universally acknowledged norms of international law and infringing the legitimate interests of sovereign countries to develop freely trade and economic cooperation with other countries," a Russian foreign ministry official said here today.

Russia is disappointed with the current stand of the U.S. administration which only recently objected in public to the bill proposed by Senator Jesse Helms and Congressman Dan Burton. The objections were soon forgotten and the White House declared that the President would sign the agreed text of the bill after its approval by the House of Representatives and the Senate. The bill provides for much tougher economic sanctions against Cuba and its trade and economic partners. It contains provisions which directly infringe on Russia's interests. In particular it conditions the provision of American assistance to the former Soviet republics on the character of their trade and economic relations with Cuba.

"Russia is building its relations with Cuba on a deideologised basis, proceeding from its national interests, primarily economic in character. It is carrying out and will continue to expand its trade and economic cooperation with Cuba while strictly abiding by the principles of equality and mutual benefit," the Russian foreign ministry official stressed.

"The present abrupt aggravation of U.S.-Cuban relations in connection with the recent air incident off the Cuban coast cannot but cause concern for Russia which has done much to overcome the confrontational approaches dating from the period of confrontation between blocs which persisted in the Caribbean," the Russian foreign ministry official said in a statement.

Russia is "concerned over the statements made by certain Cuban emigree groups in Miami and their intention to continue flying aircraft in the direction of

Cuba as well as to organise "protest demonstrations" in close proximity of the island.

"Actions of this sort undoubtedly fail to help normalise the situation in this region and are fraught with dangerous consequences," the Russian foreign ministry official stressed.

Russia: Chernomyrdin Orders Investigation Into U.S. Poultry Imports

LD0403143196 Moscow Radio Rossii Network in Russian 1400 GMT 4 Mar 96

[FBIS Translated Excerpt] [Russian Prime Minister] Viktor Chernomyrdin has instructed Deputy Prime Minister Aleksandr Zaveryukha to investigate the problems which have arisen concerning the import of U.S. poultry meat. Viktor Konnov, press secretary to the head of government, said that U.S. Vice-President Albert Gore has sent the Russian prime minister a request to look into the cessation of the import of U.S. poultry into Russia. The Russian side says that the poultry does not meet hygiene standards. [passage omitted]

Russia: Gore's 'Sharp Tone' Noted in Letter to Chernomyrdin

LD0403175296 Moscow INTERFAX in English 1654 GMT 4 Mar 96

[FBIS Transcribed Text] MOSCOW, Mar 4 (Interfax) — The Russian prime minister's spokesman, Viktor Konnov, confirmed to Interfax Monday [4 March] that Viktor Chernomyrdin had received a letter from U.S. Vice President Albert Gore in connection with the Russian Agriculture and Food Ministry's plans to suspend the import of U.S. poultry from March 16.

Chernomyrdin charged Aleksandr Zaveryukha, the deputy prime minister in charge of agriculture, with dealing with the letter, Konnov said. The answer will be forwarded to Washington in the near future, as soon as the government studies all the circumstances relating to the Russian Veterinarian Service decision to suspend the issue of licenses for the import of U.S. poultry from February 16. The decision threatens a complete cessation of poultry imports from the United States from March 16 because these products do not meet Russian sanitary requirements.

In his letter, Gore expressed perplexity over the fact that the Russian government is prepared to take draconian measures without any discussion and immediately after a session of Gore-Chernomyrdin commission in Washington, Interfax has learned from well-informed sources in Moscow. According to Gore, the measures may have serious political consequences both in Washington and in Moscow as the United States accounts for 85 percent of all Russian poultry imports, which total about 20 percent of the U.S. export to Russia, and are worth about $700 million. The U.S. side also objects to Russia raising its poultry import tariffs from February 1. Gore told Chernomyrdin that 39 U.S. senators had signed a letter to President Bill Clinton demanding urgent measures on the issue. The U.S. vice president warned Moscow of possible retaliation measures on the part of Washington if Russia suspends poultry imports from the United States. Gore suggested that top Russian and U.S. officials urgently meet to resolve disputes.

Sources close to the Russian government told Interfax that Chernomyrdin intends to answer Gore in the near future but would not agree to Gore's proposal to hold a telephone conversation within two to three days of the letter's arrival. The sources attributed the refusal to Moscow's irritation at the "excessively sharp tone" of the letter from Gore.

Russia: Russian, U.S. Emergency Agencies To Cooperate

MK0503091196 Moscow SEGODNYA in Russian 2 Mar 96 p 5

[Report by Alina Nesterova: "U.S. and Russian Rescuers Intend To Work Together"]

[FBIS Translated Text] Yesterday a joint news conference of the Russian Federation Ministry of Emergency Situations and the U.S. Federal Emergency Management Agency (FEMA) was held in Moscow. Members of the U.S. delegation, including leaders of FEMA, officials from the Department of Defense, the Office for Assistance to Foreign States in Cases of Natural Disasters and Human-Caused Emergencies, and members of U.S. rescue services, who arrived in Moscow on 26 February, discussed with leaders of the Ministry of Emergency Situations problems of their future work in the framework of the memorandum on cooperation in the field of prevention of industrial accidents, natural disasters, and the mitigation of their consequences, signed in 1991 by the governments of the two countries. A fundamental agreement was reached on the exchange of experience, the training of rescuers and experts both in Russia and the United States, and cooperation in the conduction of rescue work and humanitarian operations in disaster areas.

In addition to negotiations, members of the delegation were acquainted with the activity of the Central Aeromobile Rescue Team of the Ministry of Emergency Situations. It is also planned for them to visit the North Caucasian Regional Center, the Krasnodar Civil Defense Headquarters, and regional search-and-rescue services. In conversation with reporters, Ms. Kay Goss, FEMA deputy director, noted the high professional level of the Russian colleagues and emphasized the importance of cooperation between Russia and the United States in this area. U.S. experts noted with satisfaction that Russian "emergency workers" are using the most up-to-date medical and rescue equipment, such as modern helicopters.

According to Ms. Goss, U.S. colleagues are extremely interested in improving the exchange of information between Russia and the United States, including in the field of prediction and prevention of possible emergency situations. In this connection, the first meeting of the Russian-U.S. coordination council, the agenda of which is now being discussed, is to be held in Washington in late spring. In the future, it is planned to set up a joint Russian-U.S. humanitarian corps for response to emergency situations, disasters, and natural calamities all over the world.

Russia: Moscow Soon To Allow Rocket Engine Partnership With U.S.

LD0403171896 Moscow INTERFAX in English 1421 GMT 4 Mar 96

[FBIS Transcribed Text] MOSCOW, Mar 4 (Interfax) — Russian leaders are expected to approve project between Energomash of Russia and Pratt & Whitney of the United States to making RD-180 rocket engines, and the Russian Defense Ministry has approved the sale of NK-33 engines to the United States, a source close to the Russian Defense Ministry told Interfax.

The Moscow region rocket-maker Energomash, designer of the RD-180 prototype, and its subcontractors will receive $150 million in investments to design the engine, and should receive $1 billion from sales over the next 20 years. Roughly 60 percent of the rocket kits will be made in Russia, and the rest in the U.S.

Pratt and Whitney and Energomash won a sales tender for selling rocket-launching engines to Lockheed Martin in 1995, the source said.

The Russian defense ministry also recently approved sales of NK-33 rocket engines made by Samara company Dvigateli NK to Aerojet of the U.S. the military was not satisfied with the project for many reasons, but has allowed sales of the first 12 of 70 NK-33 engines to begin now that Aerojet representatives have arrived to rework the contract with government arms maker Rossvooruzheniye and Dvigateli NK experts.

Aerojet has agreed to several concessions in buying the engines designed for piloted space ships to the moon. They have agreed to pay 100 percent of the price upon receipt, instead of the 20 percent originally proposed, a source at Aerojet said. The price, however, has stayed at just over $1 million per engine. The contract will also guarantee that the U.S. company will buy all 70 of the engines, not just the first set.

Finally, the engines will be licensed to the Russians, and proceeds of the license's sale (roughly $100 million) will go to the Russian Space Agency, which took part in designing the NK-33.

Russia: Moscow To Step Up Relations With Former Allies

MK0503125996 Moscow KRASNAYA ZVEZDA in Russian 2 Mar 96 p 2

[Report by Aleksandr Golts: "Neighbors Should Become Partners"]

[FBIS Translated Excerpt] In recent years, our vocabulary has been enriched by new set word combinations. Saying "ruble" we are tempted to add "wooden" [having lost much of its value]. Having written "Russian foreign policy," our hands are itching to add "inconsistent." The instances when Moscow refused to implement its own projects or simply forgot about them are just countless. Now, however, the situation seems to have started changing. This week Russia has demonstrated its obvious intention to seek progress in precisely those areas that have long been priorities in word only.

This above all concerns the integration processes within the CIS. Life itself, as well as the vital problems in each of the former Soviet republics, has shown the actual value of the theories saying that the disintegration of the great power was predestined. The growing desire of an overwhelming majority of people to restore the ties that were so mindlessly broken is forcing politicians to take some energetic action as well. [passage omitted]

Let us be frank, however. It is not only the internal problems of the newly independent states that are impeding such a rapprochement. There is a great deal of concern in the West regarding the prospects of integration. In this context, the reception given to Ukrainian President Kuchma a while ago in Washington is very meaningful. Naturally, we can only welcome the development of the best possible relations between the United States and Ukraine. Some observers, however, did not leave unnoticed the insistence with which U.S. officials kept repeating: "Independent and sovereign Ukraine is an important partner among the newly independent states." The authoritative FINANCIAL TIMES made a conclusion that Western leaders regarded a sovereign Ukraine as a reliable guarantee against revival of "Russia's imperial ambitions." Hardly anyone, however, can give a single fact indicative of such a revival. As for any further aggravation of the relations between the CIS countries, which are intricate enough as it is, such hints of revival can surely do this. But, as a matter of fact, the results of Lukashenka's visit demonstrate convincingly that there is no talk of any "imperialism." Russia is purposefully creating stimuli for integration rather than trying to "exert pressure" on its partners.

Incidentally, in saying that relations with the CIS countries are its priority, Russia has no intention of limiting itself only to them. This country aspires to become a full-bodied member of leading European organizations. This week Russia has joined the Council of Europe. In my opinion, most importantly, in doing so Russia did not act against its national interests. Specifically, the version that Moscow had agreed to soften its stance with respect to NATO expansion proved groundless. The statement of Foreign Minister Yevgeniy Primakov has left no doubts about this.

At the same time, however, some new aspects have emerged in this area of foreign policy too. Yevgeniy Primakov said that Russia was not going to bang its fist on the table and forbid Eastern European countries to become members of any organization. The aim of its diplomacy is to have Russian security interests acknowledged. Moreover, Moscow would like to seek such an acknowledgment not only from the Western countries; but we have at last made up our mind to maintain a direct dialogue with the Eastern European countries themselves.

In this connection, it would appear that it was not by chance that Yevgeniy Primakov went to Slovakia immediately after Strasbourg. It is the idea of NATO's eastward expansion into this country that seems to be opposed most of all. Naturally, therefore, a hard dialogue with the Eastern European countries is easier to start in those places where Russian arguments tend to be more highly appreciated. In just a couple of weeks, however, Primakov will be in for a much more difficult dialogue in Warsaw. We can of course feel sorry about the fact that our relations with the CIS and the Eastern European countries — Russia's natural partners and allies — have been neglected for such a long time. It is good, however, that Moscow is already trying to change the situation now.

Russia: NATO Exercise 'May Pose Threat' to Russian Security

MM0403141796 Moscow KRASNAYA ZVEZDA in Russian 2 Mar 96 p 2

[Report by Vadim Markushin: "NATO Exercises Force Russia To Contemplate Suitable Responses"]

[FBIS Translated Text] "Russia has no grounds for concern in connection with the military exercises in northern Norway. That is what I intend to say during my talks in Moscow.... It is normal to perform such maneuvers. What is more, the Russian military were also invited to take part as observers. We do not understand Russia's concern." Norwegian Foreign Minister Bjorn Godal made that comment regarding the current situation over NATO's Battle Griffin-96 exercises during an interview with an ITAR-TASS correspondent in Oslo before leaving for Moscow, where he will be paying a two-day working visit.

According to Godal, Russian-Norwegian relations are on the up, but they require constant attention and a constructive contribution primarily insofar as bilateral cooperation in the Barents and Baltic Seas is concerned. The head of the Norwegian Foreign Ministry is convinced that personal contacts at the highest diplomatic level are particularly beneficial in the current circumstances. In this connection he described his present visit to Moscow as a "good excuse to establish personal contacts with Yevgeniy Primakov."

However, as is clear from statements made by high-ranking Russian diplomats and military, NATO activity in Russia's neighboring countries has not gone unnoticed in Moscow. At a time when the Cold War is behind us, the Russian Federation Foreign Ministry Information and Press Administration notes, "the emphasis should be placed not on military exercises but on confidence-building measures and on strengthening joint work on a model for pan-European security, along with extensive collaboration and cooperation in this sphere, including within the framework of the 'Partnership for Peace' program."

According to Colonel General Vladimir Semenov, commander in chief of Ground Forces, as expressed during an interview with an ITAR-TASS correspondent, the maneuvers in Norway may pose a threat to Russian national security and force it to seek suitable responses. Subunits of the U.S., German, Danish, French, British, Netherlands, and Norwegian Armies numbering around 7,000 men took part in the Battle Griffin-96 exercises. They are all part of the NATO rapid-reaction forces.

Russia: Participation in IFOR Operation in Bosnia Viewed

LD0403140596 Moscow NTV in Russian 1900 GMT 2 Mar 96

[From the "Segodnya" newscast]

[FBIS Translated Excerpt] [Vyacheslav Grunskiy, NTV Balkans correspondent; over video of IFOR troops in Bosnia] The United States and a number of other states are already preparing to issue medals to be awarded to every soldier taking part in the IFOR [Implementation Force] international operation. It is not yet clear what reward our soldiers in Bosnia can count on; essentially, they have no idea what they are doing here. [passage omitted]

How smoothly are relations being established within the international peacekeeping forces themselves; not on screen, but in real life? The French have taken full control of the former UN sector of Sarajevo and southern Bosnia. British subunits are responsible for western Bosnia. U.S. troops are located in central Bosnia and have made their presence felt fully in the Balkans.

Things are more difficult where Russia is concerned, because the area for which Russia is responsible has no strategic interest even for the former enemies in Bosnia. Russia voluntarily renounced the Posavina corridor, which is a genuinely important section of Bosnia and is now held by the Americans. Russia also has sent a brigade here, not a separate division on equal terms with the other world states.

[Begin recording] [Leontiy Shevtsov, deputy commander of the peacekeeping forces in Bosnia] We did not have the funds for a division. Of course, we would have a far weightier presence if we had a division. For the moment, unfortunately, we have a brigade, and that is not much; that is 2 percent of the total number of personnel taking part in the Bosnia-Herzegovina operation. [end recording]

Does Russia have an interest in the Balkans at all, everybody is asking now; or is its participation in IFOR merely declarative? We did not make any serious contribution to the previous UN operation in Bosnia, and when it ended, Russia was asked urgently to leave the districts that no longer fell within its area of responsibility.

[Begin recording unidentified Russian serviceman] The Russians are not liked at all here. [end recording]

Russian Federation military leaders who have visited Bosnia, however, think that for the moment grounds for concern in relations with NATO... [cut to interview] [Begin recording Colonel General Yevgeniy Podkolzin, commander of Russian airborne troops] ...do not exist. Relations are very good, and God grant they should remain so in the future. [end recording]

As regards Russia's military participation in IFOR, the Russian generals probably consider our interests here have been infringed, but we are only carrying out the task which the state has set us, the officers say.

Russia: Chernomyrdin Interested in Czech Monetary Experience

LD0403194496 Moscow ITAR-TASS in English 1848 GMT 4 Mar 96

[By Gennadiy Yezhov]

[FBIS Transcribed Text] MOSCOW, March 4 (Itar-Tass) — Russia is interested the Czech Republic's experience of extending the exchange rate band, Russian Prime Minister Viktor Chernomyrdin said while meeting Czech Foreign Minister Josef Zieleniec on Monday.

Chernomyrdin was particularly interested in how the extension of the band helped amass the country's gold and currency reserves and strengthen the local currency.

Both premiers underlined the necessity of bilateral cooperation in the traditional fields, first and foremost in the machine-building and gas industry.

Chernomyrdin reiterated Russia's opposition to NATO's hasty eastward expansion. Zieleniec, in his turn, conveyed to him the reasons why the Czech Government had decided to join the alliance.

On Tuesday, Zieleniec and Russian Foreign Minister Yevgeniy Primakov will discuss NATO's expansion, Deputy Foreign Minister Sergey Krylov said.

Russia: Yeltsin's Words Seen Suggesting Unification With Belarus

MK0503095496 Moscow SEGODNYA in Russian 1 Mar 96 p 1

[Article by Mikhail Leontyev: "'A Supranational Body' Under Russian Patronage"]

[FBIS Translated Text] President Yeltsin has finally uncovered the most effective electoral trump card, which will be hard to beat for the opposition of any kind. The words he dropped in a seemingly casual manner about "supranational bodies" of administration in Russia and Belarus, hardly ever perceived by observers, have far-reaching implications. Casting false diplomacy aside, it can be clearly stated that at issue is the formation of a full-blown state union with a republic which, as a matter of fact, had no intention to leave in the first place and which was simply turned out of doors like a child, to be forced later to justify for itself the idea of its own independence. From the very outset, the progress was very slow, and eventually it reversed altogether: Belarus started increasingly to force its way back to the closed door, which was being backstopped with all their strength by Russian "reformers," who were afraid that during its return the brotherly nation would bring along with it an uncontrolled money emission and pro-Communist electoral sympathies.

Politically and historically, the problem of unification with Belarus does not exist at all. The present situation needs to be recognized as not only unnatural but simply ridiculous. As for the issues of economic concern, an agreement, as it is seen now, evidently envisions a single money-emitting center — the Central Bank of Russia — as well as a uniform monetary, customs, and tax policy, united borders and defense, etc. The fact that Belarus was forgiven its debt (a negative balance of $170 million) — which is most probably only the first act to be followed by a further write-off of arrears — cannot be interpreted as a considerable economic damage either, because Belarus is now unable to redeem any significant part of its debt. Its debt can only be restructured, which is absolutely pointless in a short-term perspective, and the present situation compels us to confine our interests to short-term goals. As for the potency of the Belarusian industry, having remained largely unreformed over the years of forced semiautarchy, it has already, for the most part, "touched bottom" and therefore would not represent any major additional burden for Russia. At the same time, however, it should be noted that Belarus continues to remain a country with the highest per-capita level of industrial production among the former USSR republics.

The main catch of the union lies in formal conditions, taking into consideration mutual solemn oaths not to restore the [Soviet] Union and to retain sovereignty. To illustrate the interpretation of the "supranational bodies" concept, we can take the Federal Republic of Yugoslavia as an actual example. Hardly any of nonexperts can instantly recall the names of its formal leaders, and quite obviously it is the head of Serbia who is the actual leader of the state. The Federal Republic of Yugoslavia, however, is a single state, in which the status of not only the Serbian leader but also the Montenegrin one is certainly higher than that of any supranational body. In our case, such a formula is indeed giving a chance for unification not only to Belarus — where, in principle, even less exotic schemes could work well — but also to Kazakhstan.

It should be kept in mind that such a formula is by no means going back on Byelovezhskaya accords. In fact, this will mean bringing them back to their original form, as they were planned from the very outset — at least by Yeltsin's team. As far as the author knows, initially, the idea of the CIS envisioned precisely such a "union" state with an actual supremacy of Russia, very strong sovereign entities, and more or less formal pro-Russian "supranational bodies" to be headed by "a man of Yeltsin," such as Gennadiy Burbulis. This frail structure, however, was shattered then by Mr. Kravchuk's separatist interests.

Incidentally, in this context, Yeltsin's meaningful statement suggesting that we are going to restore a union which "some people" proved unable to preserve can well be attributed not only to the weak Gorbachev and the mean GKChP [State Committee for Emergency Situation] members, but also to other persons. At any rate, the Russian president does not view this statement as applying to himself, and, to all appearances, he indeed has the right to do so, in view of the fact that Mr. Lukashenka — who was probably the only Belarusian deputy voting then against the Byelovezhskaya accords — standing right by his side immediately asked Yeltsin to "reveal the whole truth about them [the accords]." As for the electoral significance of the impending unification, should it be possible to accomplish this if only with Belarus, its importance can hardly be overestimated. Quite symbolically, the first foreign visitor to Moscow after Yeltsin's self-nomination was Helmut Kohl — a chancellor of "German unity," who, prior to the unification with East Germany, was unanimously prophesied a defeat in the election.

Russia: Commentary on Japan's Claim for Islands in Russia, PRC, ROK

SK0503063296 Moscow Voice of Russia World Service in Korean 1200 GMT 2 Mar 96

[Commentary by (Yevgeniy Nikolaev) from the "Today's World" program]

[FBIS Translated Text] In an interview with reporters, Ryutaro Hashimoto, prime minister of the Japanese Government, said that Japan maintains a consistent position on the issue of territory in its relations with Russia, China and the ROK, and that it has no intention to change such a position.

The statement by the new prime minister of the Japanese Government, which has an uncompromising nature, may cause a number of problems.

Why is it necessary for Hashimoto, who is leading the Japanese Government since mid-January this year, to confound the issue of territory, which is not a simple question in its relations with the neighboring countries, especially at a time when Japan's relations with China, Russia and the ROK are in a satisfactory condition?

For example, this year Russia and Japan will mark the 40th anniversary of the establishment of diplomatic relations with expanded political, economic and cultural ties.

Friendly relations between Tokyo and Seoul and between Japan and the PRC have been developing. Japan's ambition for its sovereignty over small islands in Russia, China and the ROK has existed for a long time. Despite this, Japan's relations with the relevant countries have been positively developed. The problems concerning four islands of the South Kuril Islands of Russia; China's Diaoyutai Island or Senkaku in Japanese; and the ROK's Tokto Island or Takeshima in Japanese have been discussed.

Territorial disputes over these islands took place in the early 20th century when Japan established a colonial rule in the Far East. However, since Japanese imperialism collapsed in 1945, such disputes have disappeared.

Furthermore, pursuant to the 1951 San Francisco Peace Treaty, Japan abandoned its ambition for all territorial rights over Russia, China and the ROK. However, recently, the ruling circles in Tokyo have frequently demanded for returning Iturup, Kunashir, Shikotan, and Habomai of Russian islands to Japan.

However, Japan has not raised its claim of territorial rights over Tokto and Senkaku Islands for a long time. This showed that there are many different standards in Tokyo's attitude in handling the issue of territorial rights with Russia, China and the ROK.

However, Hashimoto, the new Japanese prime minister, appeared to have decided to show a firm and invariable position to its neighboring countries concerning the territorial disputes. The recent official plan of Tokyo to declare the 200-nautical mile exclusive economic zone around Japan might have prompted his decision.

However, as is known to all, the standard to be applied in these sea zones should be mapped out in accordance with the international agreement on ocean laws.

The head of the Japanese Government expressed the firm and consistent position prompted by the necessity to clarify the country's position. However, clarifying the position is not an exclusive right of Tokyo.

As has been known, Moscow, Beijing and Seoul will hold fast to their positions to seek their own national sovereignty over these territories.

Russia: Atomic Energy Minister Views 'Munich Affair'

LD0403213796 Moscow ITAR-TASS World Service in Russian 1631 GMT 4 Mar 96

[By ITAR-TASS correspondent Veronika Romanenkova]

[FBIS Translated Text] Moscow, 4 Mar — Russian Atomic Energy Minister Viktor Mikhaylov is convinced that both buyers and sellers in the so-called "Munich affair" were bogus.

As is known, the German special services detained contraband nuclear material at Munich airport in August 1994 and hastily announced "the Russian origin of the discovered plutonium." This led to another campaign in the western media "on the need to take Russian nuclear materials under western control."

Speaking at a news conference today, Mikhaylov said that he did not rule out the Russian origin of the nuclear material and stressed that the material could not have been weapons-grade.

The minister said that throughout the history of the country's nuclear industry there had not been a single case of weapons-grade nuclear materials being stolen. In the seven known cases the so-called spent materials — low-enriched Uranium-235 and Uranium-238 — were stolen; they cannot be used for military purposes. They are sold on the international market for $3-8 million per kilogram. "Had anyone decided to buy it, we would have given him as much as he could carry free of charge," the minister said.

Mikhaylov complained that Russian specialists did not have the opportunity to carry out their own analysis of the sample. "The Atomic Energy Ministry has asked for 10 grams of the material, but so far has not got a single gram," the minister noted.

Russia: 'Nigerian Mafia' Stepping Up Operations

MM0503093196 Moscow TRUD in Russian 2 Mar 96 p 3

[Report by Aleksandr Goloviznin, senior detective officer for particularly important cases of the Russian Internal Affairs Ministry Main Administration for Economic Crimes: "No Borders for the Mafia"]

[FBIS Translated Excerpt] The world has long known of the existence of the so-called "Nigerian mafia," which specializes in swindles. The credit-financial system is a sphere to which it pays close attention, particularly in the field of noncash transactions. [passage omitted]

In our country 11 cases of embezzlement involving the use of plastic [credit] cards were brought to light in Moscow in 1994, but the number increased to 25 in 1995. Since this market is undergoing rapid growth in Russia, while legislation, as always, is lagging behind the realities of life, specialists of the Russian Federation Ministry of Internal Affairs Main Administration for Economic Crimes are forecasting geometric growth in crimes of this kind over the next few years, and there is every reason to believe that representatives of Africa will make a substantial contribution to these statistics, particularly as the social preconditions for this have already been created.

According to the migration services, the number of illegal [immigrants] in Russia is estimated at 100,000, and Africans account for the lion's share of them.

Colleagues in the United States warned us about the activation of the Nigerian mafia in Russia. It has already been seen to have started operations.

The scheme of trickery was worked out in other countries, from where Nigerian criminal groupings are infiltrated.

The mechanism behind such crimes is simple. Swindlers send letters proposing cooperation to owners of large companies or banks. It is a question, as a rule, of deals bordering on the criminal. It is proposed that an entrepreneur travel out to Nigeria so as to be personally convinced of his partner's reliability. On his arrival in the country criminals seize the would-be dealer and try to extort money with threats. If he refuses, they kill him. Nigerians are using the same practice in Russia.

For example, one of the chairmen of the board of a large Saratov bank received a letter from Nigeria from a certain Dom Ikenga, who introduced himself as "the senior of seven members of a committee which conducts inspections for the Ministry of Internal Affairs." Ikenga reported that they had detained seven crates of money supposedly from Colombia. Ikenga had reserved two for himself and was now proposing that the Saratov guy come to Nigeria to assure himself of the currency's existence and deposit it in his bank.

The banker had sufficient common sense to decline such an offer, but there are no guarantees that some "new Russian" will not swallow the swindlers' bait. Similar offers have also been made to businessmen in Moscow, St. Petersburg, Yekaterinburg, and a number of other regions of Russia. Employees of foreign economic organizations and joint ventures have reported attempts to establish contacts of this kind.

Oh, gentlemen entrepreneurs, do not fall into the trap! It will be very difficult to release you from it.

Political Issues

Russia: Yeltsin Favors Protectionist Measures for Light Industry

LD0503093596 Moscow ITAR-TASS in English 0925 GMT 5 Mar 96

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW, March 5 (Itar-Tass) — "We are giving too much freedom to foreign goods on our domestic market, often without sufficient reason, and many of them are of low quality," President Yeltsin said today, addressing a conference of light-industry workers of the Moscow Region. He made it clear that the state was ready to take some protectionist measures and said that "we can no longer tolerate this situation — to ruin domestic producers and to encourage foreign ones, including those without scruples. The movement of goods and technologies should be in both directions."

According to President Yeltsin, "it is an open secret that the anti-dumping measures are a barrier blocking the way to European and other markets for the Russian textile industry. Thus, they recognize in an indirect way that Russian producers may offer competition to them, that they are capable of turning out quality goods at reasonable prices." He pointed out in this connection that "markets of the CIS member states are of special importance to us. We should restore and further develop on the basis of integration all the best trends that existed in the cooperation of the former USSR republics."

The President pointed out that "the CIS member states have all that is needed for the upsurge and development of a strong regional market of the textile and light industry, including all types of raw materials, production capacities, highly skilled specialists and new technologies." In his opinion, it is impermissible that "travelling middlemen without sufficient experience trade at our markets in Uzbek and Tajik cotton, Caucasian and Ukrainian wool, Belarusian and Russian textiles, as well as in low-quality imported goods."

Yeltsin stressed that "the time has come for all of us to become aware of our common interests, start the process of integration and consolidate our positions on the markets of the CIS member states. This is the most important task for today."

Russia: Yeltsin Meets Top Aides; Discusses Topical Issues

LD0403203996 Moscow ITAR-TASS in English 2032 GMT 4 Mar 96

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW, March 4 (Itar-Tass) — Russian President Boris Yeltsin on Monday held a series of meetings with his top aides and ministers to discuss a wide range of domestic and international issues.

Kremlin chief of staff Nikolay Yegorov reported to the president the results of his just-concluded trip to the Rostov region. He also discussed Chechen settlement and the return of refugees to Ingushetia, presidential spokesman Sergey Medvedev said.

In his meeting with Interior Minister Anatoliy Kulikov, the president discussed the crime situation in the country and the performance of law enforcement agencies in the first two months of the year.

Yeltsin also met Foreign Minister Yevgeniy Primakov who informed the president about the results of his trip to Strasbourg, where he attended a ceremony of Russia's accession to the Council of Europe, his visit to Slovakia and talks with British Foreign Secretary Malcolm Rifkind.

The president and foreign minister also touched on a number of other international issues, including preparations for the upcoming summit meeting of the G-7 countries and Russia to be held in Moscow on April, Medvedev said.

Yeltsin also met Emil Pain, a member of the Presidential Council, who heads a group of experts working out a programme of conflict settlement for Chechnya.

On Tuesday, Yeltsin will have a regular meeting with Prime Minister Viktor Chernomyrdin to discuss, among other things, Chechen settlement.

Russia: Primakov Briefs Yeltsin on Results of Recent Trips

LD0403155996 Moscow Russian Public Television First Channel Network in Russian 1500 GMT 4 Mar 96

[From the "Novosti" newscast presented by Igor Vykhukholev]

[FBIS Translated Text] Foreign Minister Yevgeniy Primakov visited Boris Yeltsin today to give him his weekly report. He described the results of his trip to

Strasbourg and the participation in the ceremony of welcoming Russia as Council of Europe member.

The minister also set out the results of his trip to Bratislava which was a success, in his view. Current foreign policy issues were also touched on during the meeting, in particular, the course of the preparations for the G-8 meeting in Moscow which will be devoted to nuclear security issues and is scheduled to take place in April.

Russia: Yeltsin Submits Free Trade Agreement for Ratification

LD0403130996 Moscow ITAR-TASS in English 1140 GMT 4 Mar 96

[FBIS Transcribed Text] MOSCOW March 4 (Itar-Tass) — President Boris Yeltsin has referred to the State Duma for ratification the Agreement, signed within the framework of the Commonwealth of Independent States (CIS) in Moscow on April 15, 1994, on the establishment of a Free Trade Area (FTA), the Presidential Press Service announced on Monday.

The FTA Agreement was signed with a view to liberalising mutual trade, ensuring its balanced nature, stabilising the economic situation and augmenting the economic potential of the Parties to the Agreement through the development of mutually beneficial co-production arrangements and cooperation.

In the opinion of the Presidential Press Service, the FTA Agreement meets the interests of the Russian Federation. It has already been ratified by Kazakhstan, Moldova, and Uzbekistan. The other Parties to the Agreement are working to prepare its ratification.

The President has appointed Oleg Davydov, Vice-Premier and Minister for Foreign Economic Relations, as his official representative in the process of the examination of the FTA Agreement ratification issue by the Houses of the Federal Assembly (parliament).

Russia: Chernomyrdin, Duma Chairman Seleznev Meet 4 Mar

LD0403174796 Moscow INTERFAX in English 1605 GMT 4 Mar 96

[FBIS Transcribed Text] MOSCOW, March 4 (Interfax) — Russian Prime Minister Viktor Chernomyrdin held a meeting with State Duma Chairman Gennadiy Seleznev Monday that lasted for more than an hour.

Chernomyrdin backed the parliamentary motion to increase the share of draft laws introduced by the president and the government to 80 percent, Seleznev told Interfax after the meeting.

Chernomyrdin stressed the need for a quicker parliamentary consideration of the government-introduced draft law on the government, draft land code and other priority documents.

Seleznev said he and Chernomyrdin had verified their assessments of the present state of the economy. He also touched on the subject of presidential elections, saying that if a deputy prime minister were to chair Boris Yeltsin's election headquarters, "this will not be understood."

Seleznev said that Chernomyrdin agreed, saying "if something like this happens, the deputy prime minister who chairs Boris Yeltsin's election headquarters will have to go on a vacation."

Russia: Yeltsin Urged To Name Presidential Team in Advance

MK0503090996 Moscow KOMMERSANT-DAILY in Russian 2 Mar 96 p 3

[Report by Georgiy Bovt and Natalya Kalashnikova: "A Noncommunist Coalition Means Power-Sharing"]

[FBIS Translated Text] Boris Yeltsin has started consultations with leaders of the democrats. His aim is to seek to consolidate his electoral base in the face of a threatened Communist comeback. For the time being, however, it is only a matter of rallying politicians behind Yeltsin's own figure. Yesterday, KOMMERSANT-DAILY suggested that one unconventional way of consolidating politically both the electorate and the Russian elite might be the restoration of the vice presidency as an institution. Following up on the subject of unconventional moves, we can suggest another one: In the current situation, it would be politically advisable for a presidential candidate to enter the electoral race with an already announced team, including both cabinet and administration members. Georgiy Bovt and Natalya Kalashnikova analyze the problem.

Intelligentsia's Wavering Back and Forth Between Two Evils

The other day the president dropped a careless phrase that, on one hand, raises certain doubts about Yeltsin's electoral staff's ability to act properly and, on the other, graphically illustrates the vulnerability of the president's alliance with the democrats, who reacted to his "carelessness" by taking offense, to say the least. It should be recalled that, according to Yeltsin, the democrats will have nowhere else to go from him and will back him in the elections anyway, because there is no alternative to him. On Thursday night Yegor Gaydar, head of Russia's Democratic Choice [DVR], explained to the president in a one-on-one conversation that he is wrong and that such a line of conduct on the democrats' part cannot be taken for granted. As Gaydar put it, "it will depend on Boris Yeltsin himself whether DVR followers back him in the elections." At the same time Gaydar attached a number of conditions, such as the cessation of the Chechnya war; the removal of such figures as Defense Minister Pavel Grachev, Federal Security Service [FSB] Director Mikhail Barsukov, and presidential Chief of Staff Nikolay Yegorov. Yet another condition — this time economic — is that "budget policy should not become hostage to the election campaign." At the same time, according to the DVR leader, the democrats are hypothetically ready to back either of only two candidates — Yeltsin or Yavlinskiy — even though Gaydar sees them both as "weak candidates."

It seems that a certain pause is set to follow in Yeltsin's dealings with the DVR. And what about the other hopeful of the democratically minded public, Yavlinskiy? The "Yabloko" leader himself said categorically on the same Thursday night: "Yabloko" will not back Yeltsin under any circumstances. According to Yavlinskiy, his movement is searching for allies among other democratic parties; in particular, consultations are under way with Svyatoslav Fedorov, Aleksandr Lebed, and a number of other politicians (but, let us note, not with Gaydar). So here, too, the prospects for the president's dialogue with the determined aspirant for his office look bleak. Is it possible that Yavlinskiy will be more successful with the process of democratic consolidation? This is unlikely. The personal plans of the politicians whom he chose for an alliance hardly coincide with those of "Yabloko." Lebed, who has announced his intention to run himself, plans to align himself with the "third force" that is already waiting in the wings — a new political coalition that was set up the other day by Svyatoslav Fedorov, Stanislav Govorukhin, Sergey Glazyev, Sergey Baburin, and other Russian politicians. That is, Svyatoslav Fedorov, with whom Grigoriy Yavlinskiy plans to join forces, does not want to join forces with him. Nor does Lebed, whom Fedorov begrudges his first place in the "third force," making matters even more complicated.

Who else is discernible on the noncommunist horizon? Yesterday Mikhail Gorbachev announced his intention to run for president. At the same time he urges consolidation in the democratic camp. Moreover, the USSR president, like all other candidates, essentially calls for the same thing as most others, namely, that a coalition be set up "against," not "for" something. "Yeltsin as a national patriot and Yeltsin as a liberal — it is all tricks," Mikhail Gorbachev says. In his words, society "is urged to make a choice between a worsened present and an improved past." Who is it with whom Gorbachev wants to align himself? He plans to set up a "broad coalition" that should include the most diverse forces "from Svyatoslav Fedorov and the social democrats to Grigoriy Yavlinskiy inclusive." As for Gaydar, Gorbachev "has not thought about him." Regarding Yeltsin, it is clear that neither Gorbachev would talk to the Russian president nor Yeltsin to him. But if the consolidation proves impossible, Gorbachev will run all the same. The snag is that all other advocates of consolidation might follow suit. That is, as in the autumn, no one is concerned or frightened by the confusion and wavering on the noncommunist flank.

One Should Not Overestimate the Role of Kremlin Get-Togethers

Meanwhile, as far as the presidential campaign is concerned all Yeltsin's get-togethers in the Kremlin — be it with Gaydar, Gavriil Popov (yesterday), eye surgeon Fedorov, or even the proud and uncompromising Yavlinskiy have a fairly feeble impact on the sentiments of the Russian public at large, who are unconcerned about these consultations. So what is the use of overestimating so much the importance of the Kremlin dialogues and numerous news conferences at which certain politicians promise to align themselves with one counterpart of theirs or another? No use at all. No one in Russia is currently capable of "turning" a part of one's electorate over to any other figure. This is a characteristic feature of the Russian electorate. According to the latest poll by the All-Russia Public Opinion Studies Center, for instance, Yeltsin's possible alliance with the communists or the democrats would improve the public attitude to him either by 12 percent or by 13 percent respectively. That is, if there is an increase in one place, there will be a corresponding decrease in another, a zero option being the end result. What conclusion can be drawn from all that? The following one: The purely ideological approach to the campaigning among voters (at the level of building electoral coalitions), which has currently been adopted by politicians, be they "egg-headed" or not, is a euphemism of pure water, which voters do not understand. What alternative to this approach can be suggested?

A Coalition Government of a Noncommunist Orientation

In our view, the ephemeral ideological approach can be substituted by a purely pragmatic one: The president can form a group of specific persons, make a public announcement as to who will get which post in the president's post-electoral cabinet and administration, and enter the electoral contest with this very team. So it is precisely a pragmatic haggling with specific desirable allies that should become the subject of discussion. What can this achieve? On the one hand, the respected electorate will see the names of those for whom they vote. (At the same time, it will not be absolutely necessary to form the future cabinet exclusively of the current presidential nominees — suffice it to agree with them on selected names so as win their public backing.) The Russian voter has become used to personalized politics, whereas the president's current electoral tactics make it impossible to pass judgment on his possible policies after the election. The key future ministers could start participating in the election campaign even at this stage, campaigning each in his area of expertise. At the same time this could remove a part of the physical burden from Yeltsin. On the other hand, a specific political haggling might just as well consolidate the politicians themselves, and they might in the process set their own conditions on which they could join the team. In other words, the issue should be the need for creating a coalition government of a noncommunist orientation. That is, an absolutely different form of dialogue between the president and his potential allies who should in fact have long stopped their wavering and whims, intelligentsia-style (there is a grain of unsophisticated truth in the phrase carelessly dropped by Yeltsin). After all, less than 4 percent voted for Gaydar's DVR in December, let alone other dwarfish parties.

It seems that presently Yeltsin has objectively better chances of outscoring Zyuganov by choosing such tactics. Why? Because Yeltsin's future team could turn out "more attractive politically." Because all speculation about the possibility of Russian neocommunism's having a "human face" and its allegedly social-democratic essence of nearly European hews ends precisely with the personality of Gennadiy Zyuganov himself. Whom can he attract to fill government posts? As yet only such figures as Amangeldy Tuleyev (as Russian premier), Vasiliy Starodubtsev, known from the State of Emergency Committee (Agriculture Ministry), and Stanislav Govorukhin, who has already switched to the "third force" (Culture Ministry) have been mentioned; furthermore, there is Viktor Anpilov as head of the Popular Supervision Committee, which is planned to be restored. Neither an economy minister, nor a Foreign Ministry head, a defense minister, or an FSB head are yet discernible. As for the aforementioned figures, some of them are convenient targets for criticism (including, for instance, in public television debates with corresponding counterparts from the "party of power"), while others are simply caricatures.

However, if Yeltsin's support base is to be broadened both inside the political elite and among voters, or, moreover, if a broad noncommunist coalition is to be created, the president's closest entourage ought to realize the necessity of compromise. In other words, "to share its power" with others. This is also a choice between two evils of sorts, where the worst evil means to lose power altogether.

Russia: Gorbachev Explains Decision To Run for Presidency

BR0403153596 Turin LA STAMPA in Italian 4 Mar 96 pp 1, 8

[Article by former Soviet President Mikhail Gorbachev: "Gorbachev: I'm Coming Back"]

[FBIS Translated Text] Moscow — Changing the image used at the time of the balance of terror, I would say that Russia, looking ahead to the next presidential elections, is at "five minutes to midday". This means that the idea that "the worst is over" is nothing but a pious wish to confuse hopes with realty.

My country is at present in the midst of such a difficult and critical phase that the issue on the agenda is not when growth and development will start, and by how much, but, rather, whether and how we can survive. Only an expert and strong guide can lead it out of and beyond the present crisis, and to a safe future.

The next four years will be crucial. They will determine Russia's future for several decades. This should be realized not only by Russian citizens, but also by the world capitals, which are now paying close attention to Russia. This is why certain clear outlines must be defined. First, the need for the election to take place in a normal fashion and for it to be democratic. This is the prime condition in order to surmount the huge crisis of confidence that has come about between the federal government and society as a whole. Unless this gap is filled, Russia will not emerge from the crisis.

This is one of the moments that determine a nation's future. Neither voters nor politicians will have any scope to correct further errors. There will not be enough time, nor sufficient energies or intellectual and material resources to remedy them.

The moment of truth has arrived in Moscow at last — for all those who hold Russia's interests dear, and therefore for me, too. The scenario already defined for the presidential elections in June does not reflect real conditions in the country.

At first sight, the outcome is a foregone conclusion: It will be a final contest between the ruling party, represented by the outgoing president, and the Communist Party, led by Zyuganov.

This is not so. Both these parties are in a minority in the country. There is a solution to this, which can no longer be postponed — that all the democratic and center forces of reform and common sense unite around a unitary program and a single candidate. They do represent a majority in the country. They can realize this potential if they are able to unite. It is to them that I issue this appeal: to set personal ambitions and false divisions aside and to concentrate on matters of substance. Otherwise we are all bound to suffer a defeat that will have a negative impact on Russia's future in the coming decades.

I can imagine the objection: These are mere good intentions, but are unfeasible. Moreover, in such a short space of time, and in the presence of the West's declared backing for Yeltsin. And yet it must be said, while there is still time, that the choice between Yeltsin and Zyuganov is a trap, a fiction, into which Russia must not and cannot fall. I am sure that a joint candidate can be found. Someone flanked by a team of competent and honest people. Could Mikhail Gorbachev be this person? That depends on the common will. Can he not be so? Let us then jointly identify another candidate equal to the task. If the search proves positive, I am willing to support such a joint candidate and to help him with all my strength and experience.

But if such a candidate does not emerge from the joint quest of the reformers, then I will be left with no other choice than to stand as a candidate in any case. There are now too many citizens in my country who, like me, are unwilling to vote out of desperation; who refuse to accept, and who will not resign themselves to, the false choice between two negative alternatives.

The impatience with the government has reached such vast proportions that Yeltsin can no longer depend on the stock of confidence that he secured in the previous election and that he so badly misused. Miracles do not exist, and the disappointment is great. It is pointless for Yeltsin to resort to sickening populism, by making promises that he can never keep and by fulminating against some of the most hateful figures that have surrounded him. I wonder whether the president is really acquainted with the country's actual situation? Does he really think that, after their experience since January 1992, voters are really so naive?

As for Gennadiy Zyuganov, I will confine myself to drawing attention to an obvious fact: If we combine his active and passive supporters with traveling companions and potential allies, he can command barely one-third of the votes. And one-third of the votes is not enough to gain victory. And a social democratic metamorphosis of the Communist Party is not yet on the horizon. There are too many people who remain bound to the past. There is too much desire for revenge tied up in its ideology. And the Communist Party does not have a convincing model of society to offer voters.

Neither Yeltsin nor Zyuganov is capable of unifying a Russian society that is deeply shaken and torn. In order for this to happen there must be an integrating political "third force", there needs to be a presidential candidate who can represent a broad spectrum of political interests, capable of harmonizing and uniting the country. A candidate who can counterbalance the interests of the regions against those of the center, who can end the sharp inter-ethnic conflicts, who can formulate a realistic program to resolve the crisis by focusing on the common interest.

People are tired of experiments. It is necessary to focus realistically on the situation that has come about and to avert the spread of conflict. Society would not survive another crisis. I am convinced that if the political forces are wise and identify a realistic solution and candidate, the people can give an adequate response to set the country on the road to a new stage in its history, less distressing and traumatic than those which preceded it.

Russia: Zyuganov Registered as First Presidential Candidate

LD0403181496 Moscow ITAR-TASS in English 1746 GMT 4 Mar 96

[By Igor Belskiy]

[FBIS Transcribed Text] MOSCOW, March 4 (Itar-Tass) — Communist Party leader Gennadiy Zyuganov became the first officially registered candidate for Russian presidency in a ceremony held at the Central Electoral Commission's headquarters on Monday.

The initiative group which nominated Zyuganov submitted on February 24 all registration documents and 1.7 million signatures in his support, as well as Zyuganov's income declaration for the last two years.

The commission also registered the last 35 initiative groups seeking to nominate their candidates to fight for presidency in the upcoming presidential elections slated for June 1996.

Their candidates include Yegor Gaydar, the leader of Russia's Democratic Choice; Stanislav Terekhov, the head of the Union of Officers; Arkadiy Volskiy, the president of the Russian Union of Industrialists and Entrepreneurs; and Duma deputies Irina Khakamada and Stepan Sulakshin.

The commission has already registered 94 imitative groups which have nominated 78 candidates.

Fifteen groups support incumbent President Boris Yeltsin.

Russia: Zyuganov 'Skeptical' About Opponents' Program

LD0403173996 Moscow NTV in Russian 1600 GMT 4 Mar 96

[From the "Segodnya" program by announcer Tatyana Mitkova]

[FBIS Translated Text] The main political events in Russia today are connected with the final formation of the preelection coalition of left-wing forces, which today signed a kind of charter on joint actions and named their single candidate. Vladimir Lenskiy has the details.

[Lenskiy] Gennadiy Zyuganov was 15 minutes late for the final meeting of the bloc of left-wing parties and movements, but he shook hands with all those taking part in the meeting.

The head of the initiative group, cosmonaut Svetlana Savitskaya, said that 5 million signatures had been gathered in support of Zyuganov and they had already been handed in to the Central Electoral Commission.

[Begin Savitskaya recording] It is expected that our candidate will register with the Central Electoral Commission today. He will be the first candidate to be registered. [end recording]

[Lenskiy] That candidate is supported by the popular democratic bloc, documents for the creation of which were signed today by 25 left-wing and national-patriotic organizations.

[Begin Zyuganov recording] I thank you today. Once again I would like to appeal for the best intellectual forces that there are in every movement, in every association, to unite their efforts in the near future to complete such a platform. [end recording]

[Lenskiy] It is not yet known yet whether the best intellectuals of Viktor Anpilov's Working Russia will take part in that. Viktor Anpilov today did not sign the agreement, saying that he would sign later. Sergey Baburin, leader of the Russian All-People's Union, did not appear at the round table today. However, that did not bother Gennadiy Zyuganov at all. He spoke about a united platform of left-wing forces where there would be political pluralism and a multi-faceted economy.

Zyuganov is skeptical about the program of his main opponents from Yeltsin's team.

[Begin Zyuganov recording] I read the speech by Sergey Filatov closely — I have it. I listened to information from that sitting. Incidentally, there was nothing new there, nothing new at all. It's the same party of Russia Is Our Home, but it is being reorganized under the roof of the presidential palace. [end recording]

[Lenskiy] The agreement of the left-wing forces signed today is open to new participants. Gennadiy Zyuganov said that talks were now being held with Aleksandr Rutskoy, Aleksandr Lebed, Stanislav Govorukhin, and Svyatoslav Fedorov. The leader of the communists said that he had no deep differences with these politicians.

Russia: Daily Sees Yeltsin as Sole Viable Candidate

MM0403153396 Moscow ROSSIYSKAYA GAZETA Weekend Edition in Russian 1 Mar 96 pp 4, 5

[Article by political scientist Aleksey Kiva: "There Are Many Contenders for the Presidency, But Russia Needs Only One. But Who To Vote for?]

[FBIS Translated Excerpt]

You Cannot Be a Prophet, But You Must Tell the Truth

[Passage omitted] The parliamentary elections showed that voters were drawn to a bipolar view of the situation in the country and that political centrism was untenable. But they also demonstrated the Russian democrats' inability to rally, which is the hallmark of this political movement. To fail to see that none but Zyuganov is backed by the left-wing camp and that he is attracting the antireformist forces means to consciously or unconsciously mislead the electorate. The same purpose is served by failing to understand or dissembling over the fact that in the present situation the only viable opposition to Zyuganov is Yeltsin, since neither Viktor Chernomyrdin nor Yuriy Luzhkov has been nominated. [passage omitted]

I am not at all sure at the moment whether Yeltsin, in the presidential race, should aim for the votes of the Moscow political talking-shop, the utopian democrats, the fundamentalists, and others who lost touch with reality long ago. Democratically minded people with an undistorted social perception of reality simply must vote for Yeltsin when faced with the threat of the restoration of communism. Good or bad, it is on him that our fragile democracy has largely rested and we are largely indebted to him for the actual fact of its consolidation in Russia after the 1991 August putsch.

We are returning again to Lenin's idea of humble cooks in power.

...Society must finally realize — and the sooner the better — that the sphere of politics and state affairs, particularly at the highest level, is a separate sphere.

Just like science, art, farming, and so on. To each his own, as it were.

Why should people over here who have never shone in the sphere of state affairs or even the leadership of major companies or concerns suddenly get the idea that they can run a very complex country like Russia, what is more at a transitional stage, when unusual situations and unexpected clashes keep occurring? [passage omitted]

Marxist Ideologist in the Role of President of the New Russia?

[Passage omitted] In all likelihood no one, not even Zyuganov himself, can say what can be expected of Zyuganov the president. There are various possibilities. That in order to avoid failure he will be forced to continue the present course of reforms, although modifying it, of course; that he will try to replace this course altogether, thus causing economic paralysis and mass famine for the people; that, having failed, he will not give up but will try to get out of the situation by clamping down in all areas, as the Bolsheviks did when switching to "war communism" after the collapse of the original model for the socialization of the country; that he will entertain the hope of dealing with the situation by adopting the Chinese model of state capitalism; that Zyuganov will replace the most "hard-boiled" members of the CPRF [Communist Party of the Russian Federation] as circumstances require, and so on.

Although one will be interested also in the possible reaction of the population. It is not 1917, after all. And it is not the same country. Not the same resources. And there is no enthusiasm to be found given that the massive Potemkin village of a "bright communist future" collapsed like a sheaf of harvested wheat before people's very eyes. There is simply not enough strength — material or spiritual — for a new experiment.

But what can certainly be said is as follows. In the first place, Zyuganov and the CPRF have never had and cannot have an integrated concept of social changes on the threshold of the new millennium until they break completely with the Marxist-Leninist utopia.

Second, the quality of leadership is at the lowest ever level since Marxism came into being in Russia. And this is a clear sign of the genre's profound crisis. Third, Gennadiy Andreyevich himself has absolutely no experience of running affairs of state. You can only envy his audacity in deciding to run for the post of Russian Federation president.

Much Ado About Nothing

It would seem out of place even to ask what experience of running the affairs of state Vladimir Zhirinovskiy has. None, of course. Indeed, that is what he has built his political career on. He is like thousands, indeed millions of Russians who have not held high office, who have lived in modest two-room apartments, who have received modest pay, and, moreover, have not even been members of the CPSU. He is the defender of the "little man," the "man on the sidelines." But nature has endowed him with a sharp mind and thirst for knowledge, which enabled him to acquire two lots of higher education and learn several foreign languages. He is also a patriot and wants to restore to the country its former configuration, its former might, and the former respect it commanded in the world, to restore the people's lost dignity.

I am not going to talk now about Zhirinovskiy's two roles. The one flamboyant, funny, pugnacious, and sometimes even extremely aggressive. The other very rational, engendering solutions and actions that do not contradict the course of history. And so rational, particularly against the background of our liberal utopianists' irrationality, that it sometimes occurs to one to say to the LDPR [Liberal Democratic Party of Russia] leader: "Vladimir Volfovich, why don't you stop fooling around and make a fool of others!" Then I calm down when I recall the splendid American proverb: "Let every peddler carry his own pack."

All I want to say now is that it seems to me that Zhirinovskiy, a very realistic politician, has no illusions about becoming president of Russia now or at any other time. Whatever he might say!

The only question is: Which of the two finalists will Zhirinovskiy urge his supporters to vote for in the second round? And one may expect that his electorate will again be impressive. Of course, if, for some incomprehensible reason, Yeltsin's electorate is split, fragmented, riven by "democrats feasting during the plague," something unexpected might happen and Zhirinovskiy might make it to the second round. Although, personally, I doubt whether that is a possibility.

"Plain Grisha" Will Not Do For Talks

Grigoriy Yavlinskiy is another matter. He simply lives and breathes the idea of himself as president. And he will lock horns with Yeltsin and fight to the death for a passage to the second round. The leaders of a number of democratic parties and organizations are naive to try to put forward a single candidate from the entire reformist camp. You will never get that. Yavlinskiy himself not only does not measure up as far as president is concerned, he is not up to the role of a consolidating figure either. Someone who knows Yavlinskiy well, said that he is an "eternal opposition figure." I am sure that, whatever the outcome, Grigoriy Alekseyevich will urge his electorate to vote "against everyone" in the second round. Sometimes I even get the impression that he simply does not understand what is happening in the country.

His first reaction to Yeltsin's agreement to run for a second term was as follows: The politician does not have the moral right to be president for a second term after all that has been done to the country in recent years. What exactly has been done to the country? It has launched into a market economy and democratic forms of life — can that be bad? An incredibly high price? Yes! But is it any less high in neighboring countries, for example, in Ukraine and Belarus? In the president's Message to the Federal Assembly Boris Yeltsin very clearly indicated what has been achieved in postsocialist Russia. Or maybe Yeltsin is to blame for not allowing Russia to disintegrate?

...Or maybe one should adopt a moral stance on the sidelines, like Yavlinskiy, aloof from the real, transforming activity in the very difficult years, when the foundations of democracy are being built amid blood, sweat, and tears, merely "dismissing everything and guffawing," as Dostoyevskiy said? I find that attitude immoral and uncivilized.

Yavlinskiy is often accused of not having been very successful in his reformist activities when in high office in Russia and the former USSR. I remember when Yavlinskiy unexpectedly became a senior nomenklaturist. Appearing on television, apparently before yet another trip to the United States in a vain effort to solicit support from U.S. big capital in the matter of reforming real socialism and the USSR, he candidly confessed: Gorbachev must realize that I cannot go to the United States to conduct serious talks as plain Grisha, I need proper status... Therefore the names of the lofty posts occupied by him do not signify at all that he has acquired experience of state activity, while still working on his own projects, which proved unsuccessful.

What one might expect from President Yavlinskiy is hard even to imagine. On the one hand, he is threatening to replace all and sundry, which would cause a major social upheaval. On the other hand, not possessing Yeltsin's strong character, courage, and resolve and tending to panic at critical moments, he might give rise to the kind of processes in society and encounter the kind of conflicts he would no longer be able to deal with.

What Can We Expect From Yeltsin?

The paradox is that many people do not even appreciate how good life is under Yeltsin and how uncomfortable it could be for them under another current contender in the race for the presidency. As long as Yeltsin is in power one need not fear for rights and freedoms, or that the multiparty system, free press, and free elections will suddenly vanish. Yeltsin has already stood the test, and more than once.

The Communists, as before, will be free to claim that he has amassed more power in his hands than all Bolshevik general secretaries and Russian czars put together. In so doing they will constantly abuse and revile Yeltsin and from time to time call for his impeachment. There will be no threat to the newspapers and television channels directly or indirectly working for the Communists.

Under Yeltsin the economy will emerge from the crisis much more quickly than under any other of the current real contenders, because they are all promising us further "major upheavals," which always turn into major defeats for the people. The economy will take the social sphere with it, a spiritual recovery will begin, and so on and so forth. Under Yeltsin we have even forgotten not only about Article 6 of the Constitution [dealing with nationality], but also about Point 5 in the identity document [nationality entry]. On coming to power, the Communists, not to mention the nationalists, will quickly remind us of this.

But the worst thing would be if the Communists and nationalists were to be facing one another without the "criminal Yeltsin regime" in the past. Yeltsin, of course, has become extremely tired in recent years, each one of which is equivalent to two-three quiet years. But this could also be an advantage. He could transfer a large number of his functions to a supraparty government made up of professionals. While reserving for himself the supreme function — guarantor of the Constitution and, consequently, of the strategic course of reforms.

Russia: Satarov: Yeltsin's Reelection Chances 'Good'

BR0403153696 Turin LA STAMPA in Italian 3 Mar 96 p 8

[Interview with Georgiy Satarov, adviser to Russian President Boris Yeltsin, by Giulietto Chiesa in Moscow; date not given: "'My Job? Getting Yeltsin To Win'"]

[FBIS Translated Text] The election campaign is already under way, and the presidential team is up to its eyes in opinion polls in its new offices at the Kremlin. Nevertheless, Georgiy Satarov, one of Yeltsin's closest advisers, the one who looks after relations with the political forces, found time to see me. His is the face most seen on Russian television, the strategist responsible for many of the president's more significant initiatives. His is the view of the "man next door" to Boris Yeltsin.

[Chiesa] What are his chances of reelection?

[Satarov] Good, I would say. His popularity has been rising since he came out of hospital, and it will go on rising. Then you have to bear it in mind that he is a talented politician, undoubtedly more so than his competitors, and, last but not least, he is now wielding power. This means that he can do a lot in the time that remains to him as head of state. For example, if he manages to solve the problem of the unpaid salaries, and if he can keep the promises he made the electorate, he will have no competitors.

[Chiesa] Perhaps he will manage to pay the back salaries off, but it hardly strikes me he will be able to solve the Chechnya question between now and June. What do you think?

[Satarov] It would be naive to think that the Chechnya issue can be solved in such a short time, but a lot can still be done. The most negative aspect for the government in power (apart from the casualties and the devastation) was that the initiative lay elsewhere. This is what has to be retrieved. Do you know why they are so fond of Luzhkov [the mayor — LA STAMPA editor's note] in Moscow? Because he "tries to get things done." The president must strike the voters in the same way.

[Chiesa] Let us have a look at what is happening among the democrats now. They are divided and do not know what to do. Do you think they will make do with Yeltsin in the end, even though they are no longer enamored of him?

[Satarov] It is a serious question, because it does not depend on the president alone. As far as I know, Yeltsin intends to make advances toward them, to meet their leaders. But here too, as with Chechnya, not everything depends on the president. Of course, there is one strong impulse propelling them toward Yeltsin. fear [of the Communists — LA STAMPA editor's note]. But it is the only one. Nevertheless, I think that hope is not entirely lost. It looked as if we had it in the bag before Pervomayskoye, then there was that disaster, the resignation of a number of members of the Presidential Council, and others' departure from the government [in particular the dismissal of Chubays — LA STAMPA editor's note]. The tables were turned. The trend seems to have taken a turn for the better now, but anything could happen.

[Chiesa] Zhyrinovskiy now looks out of the race, but there is a rumor that he has approached the president and that he would be ready — at a given point in the election campaign — to stand down and back Yeltsin. How much truth is there in it all?

[Satarov] Let us use our imaginations a bit. You have said nearly all of it already. I imagine Zhyrinovskiy is also thinking that a win for the Communists will put paid at once to all his little games. At best he will go back to being a clerk, and goodbye to all his real estate, his luxury cars, and his visits to his friends abroad. Zhyrinovskiy exists to the extent to which democratic rules exist. It is not that he likes Yeltsin; it is just that he exists by virtue of the democratic rules.

[Chiesa] Are you telling me that if Zyuganov won, he would abolish the democratic rules? That there would be a return to the Soviet era?

[Satarov] Not immediately. The most realistic scenario is as as follows: Zyuganov's group will attempt to maintain a presidential regime, despite the fact that their platform states the opposite. The reason is obvious. Zyuganov's group is a minority. The others will try to confine the president within the rules of the party's central committee. The strife between them will end in defeat for Zyuganov. That is the political side of it. Then there is the economic aspect. I do not expect hasty moves, but in the long run they will try to change economic policy, and their attempts will lead to the situation that we had in 1990 and 1991. When people begin to become aware of this — let us say at the beginning of 1977 [as published], they will be forced to drag out the saboteurs, the scapegoats, to justify their lack of success. They have it in their blood.

[Chiesa] If Gorbachev were to run, he might complicate the situation...

[Satarov] He would be another player who, albeit without any hope of success, can affect the situation in the second round. But I think that everyone who counts, the pragmatics, will put their money on Yeltsin. Of course, there is a proportion of people who think that Gorbachev is "the president we need," but if Yeltsin manages to set the pace, they will all come over to him in the end.

[Chiesa] The Russian mass media themselves have stressed that the West has already opted for Yeltsin. Be honest: Do you not think that this will damage the president?

[Satarov] There are advantages and disadvantages. All things considered, I think it will be to Yeltsin's advantage. I would say that the dispute between Slavophiles and anti-Westerners involves only a small number of people. It is of no concern to the mass.

[Chiesa] But a lot of people lay their disappointment and the worsening of living conditions at the door of the West.

[Satarov] This happens. All I want to say is that it will not have a decisive effect on the vote. For example, television is controlled by pro-Western intellectuals. The background of information with which they provide the public will be important, and as they all align their positions on those of the West, the West's support for Yeltsin will end up by influencing them and, consequently, the message that they send out to the public as well.

[Chiesa] There continues to be speculation that the election might be postponed. The line is: "Yeltsin cannot win, but his entourage cannot lose." How realistic are these fears?

[Satarov] Scenarios of this type have long been a topic for discussion. If you want to know, I was contacted, back in the spring of 1994, by representatives of the opposition who — on given conditions — proposed canceling both the parliamentary and the presidential elections. Then, do you see this armchair? An envoy of the government of a prominent Western power was sitting in it trying to persuade me that it would be in the best interests of Russian democracy not to hold any elections. Speaking for myself, I have received no instructions to that effect, and I am working along entirely different lines: how to win the election. But I will add one thing: All this talk about factions that are said to influence the president is a myth. Influencing Boris Nikolayevich is very difficult. When he makes a decision, he is like a tank that makes straight for the target, flattening anything it encounters on its path. If he has decided to run and win, I really do not know what can prevent him.

Russia: Gaydar Discusses Presidential Strategy, Relations

964F1251A Moscow MOSKOVSKIYE NOVOSTI in Russian 11-18 Feb 96 No 6, p 8

[Interview with Yegor Gaydar by MOSKOVSKIYE NOVOSTI commentator Lyudmila Telen; place and date not given; under the "Elections" rubric: "'The President Replied To Me in a Letter'"]

[FBIS Translated Text] [Telen] The situation on the eve of the presidential elections is becoming increasingly gloomy. Many analysts, and ordinary voters as well, agree that the reformers have no chance of winning. First of all because Russian democrats do not know how to unite, or perhaps do not want to unite. Do you agree with this contention?

[Gaydar] I know that, unfortunately, the democratic electorate is in a pessimistic mood. There are considerably fewer of those who believe that we will come to an agreement than those who do not. Nevertheless, I have been conducting and continue to conduct consultations with leaders of democratic organizations. This is a difficult task. And I have no guarantee that it can be solved. But at least I believe that we should take this road to the end.

[Telen] Who is conducting consultations—your confederates in the Democratic Choice of Russia [DVR] movement or you personally?

[Gaydar] As the movement's leader, I am conducting the consultations.

[Telen] And your partners also are first persons? Who exactly?

[Gaydar] Grigoriy Yavlinskiy, Ella Pamfilova, Boris Fedorov, Galina Starovoytova...

[Telen] What stage have the negotiations reached?

[Gaydar] They are incomplete. Therefore I would rather not yet talk about concrete results. The main thing we are discussing is principles, programs, policy. It is important for us: What exactly we stand for; on what and in the name of what we are willing to come to an agreement. Personalities are of secondary importance.

[Telen] You would agree that there is a certain evasion in this. Principles are principles, but sooner or later you will name a name to your voters and ask them to cast their votes for a certain candidate.

[Gaydar] Absolutely correct. But until the final decision is made, I am not prepared to discuss names in detail. Right now we need to have a clear idea of what each contender proposes and what obligations he is willing to assume.

[Telen] From this, it follows that Democratic Choice of Russia and you personally have a detailed idea of the political platform on which consolidation would be possible. What is it?

[Gaydar] Within the next few days the DVR political council will convene in order to adopt a document on the subject. It will contain the requirements the movement will impose on the candidate counting on our support. This will be a guide for negotiations of sorts.

[Telen] What will be these requirements, at least in most general terms?

[Gaydar] Well, for instance, the DVR considers it necessary to have a joint obligation on the part of the movement and the candidate to do everything possible (within the bounds of democratic procedure, of course) to prevent a communist revanche and a return to a totalitarian system. I think that any logic of potential alliances will be based of this political reference point.

[Telen] Everybody who considers himself a supporter of democracy would subscribe to this thesis today...

[Gaydar] Not everything is that simple in the situation that is currently developing. When you begin to discuss in detail what it means, you do not always meet with support.

[Telen] What causes objections?

[Gaydar] You see, the temptation of cooperating with the Communists exists.

[Telen] On what economic principles do you insist?

[Gaydar] Let me name the main ones. First: respect for private property and refusal to revise privatization as a process (we are not talking about concrete abuses—this is different). And second: financial stabilization as a precondition for economic growth. I will never believe in the success of inflationary experiments to solve economic and social problems. I still have not seen examples of their success anywhere.

[Telen] What planks of the tentative program of a joint candidate from the democrats provoke the greatest arguments?

[Gaydar] I would rather not speak of disagreements at all. For a very simple reason: Since we are holding talks today, it means that we hope to overcome these disagreements. If we come to an agreement, the result will be a document that will explain in detail our common position. If we do not agree, then probably each of us will say why that happened.

[Telen] Judging by what you are saying, the negotiations are proceeding intensively but the result is still far off. Can you afford such a leisurely pace?

[Gaydar] I think results will be achieved by 16 April, but perhaps the final decision will come out even later, after all the candidates are registered.

[Telen] Among your partners in the talks, are there any who see themselves as the only possible candidates from the democratic side?

[Gaydar] None.

[Telen] Your relationship with Grigoriy Yavlinskiy cannot be called simple. Until the beginning of the Chechen war, points of disagreement between you were, first, the attitude toward President Yeltsin; second, the attitude toward the October 1993 events; and finally, disagreements in views on economic reform. Point one is probably moot now. Do the latter two still represent an obstacle to an agreement?

[Gaydar] In any case, in the talks these were not the dominant topics.

[Telen] You talked about program disagreements with Yabloko.

[Gaydar] I meant some economic particulars—in particular, the allowable level of inflation, the rate of increase in the money supply... To nonspecialists these questions may appear technical, but for us their meaning is extremely serious. The question is whether the preconditions for economic growth will be created in Russia or not. Although I have to admit that in his latest speeches Grigoriy Yavlinskiy seriously changed some emphasis in Yabloko's approach to economic policy.

[Telen] How do you feel about the proposal to invite General Lebed as a joint candidate of the democrats?

[Gaydar] Based on what General Lebed says, I cannot imagine him in this role.

[Telen] Is cooperation possible with those who call themselves left-of-center, in particular, Svyatoslav Fedorov?

[Gaydar] Fedorov is leaning more towards the Communist Party. His economic ideas, in my opinion, are extremely dangerous. There are disagreements we cannot ignore. Redistribution of property is among them. For instance, I will never sit down to discuss joint action with people who intend to forcibly annex the Baltics, or launch a nuclear strike against the United States, or print empty money. There are certain rules of political cohabitation in the democratic camp.

[Telen] You said recently that the candidacy of Viktor Chernomyrdin could reconcile the democrats. But in an interview with MOSKOVSKIYE NOVOSTI Yavlinskiy drew an equal sign between the president and the prime minister. Do you seriously count on the Yabloko leader withdrawing his candidacy in favor of Chernomyrdin?

[Gaydar] There are prospects which I currently consider absolutely unrealistic—for instance, Yavlinskiy's withdrawal in favor of President Yeltsin. But there also are some that could turn out to be realistic in the end. I understand that Grigoriy Alekseyevich will disagree with me today, but I believe that the consolidation of democratic forces around Viktor Chernomyrdin's figure under certain circumstances could materialize. However, a few days ago the prime minister said once again that he does not intend to run for president. Which means there is no subject for discussion.

[Telen] But perhaps he will change his position. Different factors can come into play—careless remarks about him on the part of the president, or the prospect of having the support of not only the NDR but democratic parties as well. Have you tried to hold consultations with the prime minister?

[Gaydar] No, first and foremost because I would rather not put him in an uncomfortable position. The way I see it, Viktor Chernomyrdin has an acute sense of corporate ethics, and I treat this with understanding.

[Telen] Are you holding consultations with NDR?

[Gaydar] No.

[Telen] Because this movement cannot be represented at the talks by its leader?

[Gaydar] Among other reasons, yes. But if the movement comes up with some ideas regarding joint action, we could discuss this.

[Telen] Are you discussing a possible consolidation around Boris Yeltsin?

[Gaydar] My position on this subject is well known. But this does not mean that other parties to the talks do not have a different viewpoint. It has been voiced, in particular, in the course of discussions on this subject in DVR local organizations as well. It is quite possible that the question of supporting the current president will also be brought up at the Moscow conference of the DVR.

[Telen] When you appealed to Boris Yeltsin with the proposal that he forgo running in the elections, what were you counting on? Or is it that you were not counting on anything and were simply outlining your own political position?

[Gaydar] I have no delusions of grandeur and do not think that my appeal can influence the president in any decisive way. But I did indeed think that there is a certain chance that in making his decision he would at least take my opinion into consideration.

[Telen] How did the president react to your appeal?

[Gaydar] He replied to me in a letter.

[Telen] Was this a polemic of sorts?

[Gaydar] The letter was of a personal nature, and I would rather not discuss it.

[Telen] In your opinion, for the president, is the question of running in the elections indeed a desire to continue the reforms, or whatever meaning he puts into this word? Or are we talking now solely about a struggle for power?

[Gaydar] I do not know the answer to this question. Although I have said more than once that Boris Yeltsin today is not at all the same Boris Yeltsin we knew in 1991 or 1993.

[Telen] Or perhaps the problem is not Boris Yeltsin but ourselves: We wanted to see him as a democrat by conviction, and so saw him as such.

[Gaydar] Remember, I did not simply watch the president on television—I worked with him quite closely. And I see that a lot has changed. The contact circle, the style of contact, the decisionmaking mechanism... Certain things—I know for a fact—that were unthinkable in the past are becoming reality today.

[Telen] For instance?

[Gaydar] The influence of people who do not hold formal posts in the government on the adoption of serious decisions in spheres in which they have absolutely no competence.

[Telen] But if Yeltsin and Zyuganov end up in the runoff... You still will not vote for Yeltsin?

[Gaydar] This question is of concern to many people, and I am often asked for my advice.

[Telen] And what do you advise them?

[Gaydar] At this point the party does not have a coordinated position on this subject. We will make this decision later, and I expect that it will be predicated on what happens in the next few months and what the president does.

[Telen] Have you, as a voter, already made up your mind on this regard?

[Gaydar] Yes, but how exactly, I will not tell you right now. I can tell you with certainty what I will do if Zhirinovskiy and Zyuganov end up in the runoff. I will go to the elections and strike them both out.

[Telen] In this situation, will your call for like-minded people in DVR to follow your example produce the desired result?

[Gaydar] I think so. This will enable us to stop the Communists.

[Telen] But by law new ones will be held in three months. What can change?

[Gaydar] For instance, I doubt that under such an outcome the president could run again.

[Telen] You say that the Democratic Choice of Russia's position will be predicated on the president's behavior in the last few months. Is there not some self-deception here? Is the logic that drives Boris Yeltsin's actions not clear to you?

[Gaydar] Everything is changing too fast now, including the behavior of political figures.

[Telen] That is, you believe that the president's recent actions and decisions could be accidental?

[Gaydar] No, I think it is a deliberately chosen line. My hypothesis is this. Apparently in December the president was considering alternative election campaign scenarios. Let us say, drawing on the support of the democrats or the support of great power advocates. He chose the latter. I believe it was a deliberate decision, which he had mulled over at length. Whether this line will continue, we will see.

[Telen] Were there people in the Kremlin who defended the former scenario?

[Gaydar] Yes, absolutely.

[Telen] Let us assume that President Yeltsin once again wins the elections. Will he be able to withstand the tidal wave of economic and social problems his latest populist decisions will cause as soon as July?

[Gaydar] Their consequences will be felt much earlier. In a standard situation we could count on a half-year. Experience shows, however, that in Russia everything happens differently. Here such a policy cannot produce even short-term political dividends. The problems will arise full-scale as early as May. First of all, even more serious delays in paying wages.

[Telen] You spoke about experience, but it appears nobody learns from it.

[Gaydar] I explain this to myself more or less as follows. There is always a person in the president's entourage who tries to explain to him the danger of such decisions. And 10-15 others who assure him that there is nothing wrong with it, that this is wonderful, this is precisely what people are waiting for. And besides, there are always enough rogue scholars who can provide a theoretical substantiation of the benefit of such measures.

[Telen] Is it certain that in this difficult political situation the authorities will resist the temptation to cancel the elections altogether? There are many who say that such options are still under consideration in the Kremlin.

[Gaydar] First of all, canceling the elections is absolutely out of the question if we want Russia to keep moving along the road of democracy. Plus, I absolutely do not believe that such a gamble could be successful. Some, including some very intelligent people, think that this is a viable scenario. It is not. Such a gamble will end in complete failure, which will only make heroes out the Communists and open the road to power to them, this time without elections.

[Telen] That is, even Zyuganov's victory in the elections is more preferable?

[Gaydar] Than his victory without elections? Absolutely.

Russia: TsIK Issues Decree on Signature Collection

MM0403140696 Moscow ROSSIYSKAYA GAZETA in Russian 2 Mar 96 p 6

[Russian Federation Central Electoral Commission decree No. 76/625-II, signed by N.T. Ryabov, Russian Federation Central Electoral Commission chairman, and A.A. Beshnyakov, Russian Federation Central Electoral Commission secretary, in Moscow on 14 February 1996: "On Appeals from Russian Federation Federal Assembly State Duma Deputies and Letters and Telegrams from Citizens on Questions That Have Emerged During the Collection of Voters' Signatures in Support of Candidates for the Post of the Russian Federation President at Russian Federation Ministry of Railways Enterprises and Organizations"]

[FBIS Translated Text] Having heard reports by O.A. Moshenko, Russian Federation first deputy minister of railways; Ye.P. Ishchenko, member of the Russian Federation Central Electoral Commission [TsIK]; V.G. Lapitskiy, representative of the Russian Federation General Prosecutor's Office; and the leaders of a number of electoral commissions of Russian Federation components, the TsIK notes that voters' signatures in support of candidates nominated for the post of Russian Federation president are being collected in Russian Federation Ministry of Railways enterprises, institutes, and organizations.

During the collection of signatures, the Russian Federation TsIK received 67 appeals from Russian Federation Federal Assembly State Duma deputies and citizens and public organizations (from 28 Russian Federation components in all), reporting violations of the Federal Law "On the Elections of the Russian Federation President" in the process of collecting voters' signatures in support of candidate B.N. Yeltsin for the post of Russian Federation president.

The appeals that have been received were initially examined by a working group from the Russian Federation TsIK, and were sent on for further examination of the substance of the information set forth in them by the electoral commissions of the relevant Russian Federation components, the Russian Federation Ministry of Railways, and the Russian Federation General Prosecutor's Office. The documents from the Ministry of Railways and the electoral commissions received by the TsIK have shown that the reported violations of the Federal Law "On the Election of the Russian Federation President" in the process of collecting voters' signatures at railroad transportation enterprises, institutions, and organizations have not been borne out.

Guided by Articles 15, 22, 34, and 35 of the Federal Law "On the Elections of the Russian Federation President," the Russian Federation TsIK decrees:

1. To take into consideration the report by O.A. Moshenko, Russian Federation first deputy minister of railways, on the examination of the appeals from Russian Federation Federal Assembly State Duma deputies and statements and telegrams from citizens, as well as his statement that the Ministry of Railways doe not have a sectoral staff for organizing the collection of voters' signatures in support of candidate B.N. Yeltsin for the post of Russian Federation President.

2. To ask the Russian Federation General Prosecutor's Office, with the assistance of the Russian Federation Ministry of Internal Affairs, to check the reported violations of the procedure for collecting voters' signatures and give assistance to electoral commissions of Russian Federation components in exercising their powers, and to intensify monitoring of the observance of the requirements of the Federal Law "On the Elections of the Russian Federation President."

3. To instruct the authorized representatives of the action groups nominating candidates for the post of Russian Federation president to ensure the necessary monitoring of the collection of signatures in support of candidates in complete accordance with the set requirements, and to warn them and the collectors of signatures about the criminal and administrative liability for submitting unreliable information in the lists of signatures and preventing citizens from freely exercising their electoral rights. Lists of signatures bearing signatures of voters collected in violation of the requirements of legislation on elections, will not be taken into account by the Russian Federation TsIK.

4. Taking into account the proposals made by Russian Federation Federal Assembly State Duma deputies, to instruct chairmen of the electoral commissions of the Republic of Tatarstan, Altay Kray, and Bryansk, Belgorod, Irkutsk, Kirov, Novosibirsk, and Ulyanovsk Oblasts to check reported violations of the procedure for collecting voters' signatures in support of candidates to the post of Russian Federation president, and to immediately inform the Russian Federation TsIK of the results of the examination.

[Signed] N.T. Ryabov, chairman of the Russian Federation TsIK

A.A. Beshnyakov, secretary of the Russian Federation TsIK
[Dated] Moscow, 14 February 1996

No. 76/625-II

Russia: CPRF's Presidential Election Strategy Analyzed

964F1281A Moscow MOSKOVSKAYA PRAVDA in Russian 21 Feb 96 p 11

[Article by Gorbachev Fund expert Valeriy Solovey: "Communists, Forward? The CPRF: From Parliamentary to Presidential Elections"]

[FBIS Translated Text] Political life in modern Russia is proceeding under the sign of the approaching presidential elections. The results of the recent State Duma elections also are seen from the standpoint of the prospects of the former. Since Gennadiy Zyuganov's Communist Party, which officially nominated its candidate for president of Russia last week, came in first, it is of utmost importance to analyze the causes of its success and the problems the Communists have encountered. Four key questions arise here. First: What predetermined the Communists' victory in the parliamentary elections? A favorable confluence of circumstances, a skillful and precisely calculated electoral strategy, or a combination of both factors? Second: Did the CPRF [Communist Party of the Russian Federation] make serious mistakes and miscalculations in the course of the parliamentary campaign? Third: What objective problems and difficulties did the Communists encounter and can they overcome them? Fourth: In which direction should the CPRF's electoral strategy be modified in order to achieve success in the presidential race?

Mysteries of Love for the CPRF

Immediately after the 17 December 1995 elections a number of analysts proffered the opinion that the CPRF's first place cannot be considered a triumphal victory. This viewpoint is supported by arguments of the type that given the current state of impoverished Russian society, the Communists should have received considerably more than the 22.3 percent of the vote by party list, and that they will not be able to rise substantially above this indicator—that is, that they have almost completely shored up their potential electorate and that overall even fewer people voted for the opposition than in the parliamentary elections in December 1993. Leaving aside the obvious ideological underpinning of such assessments, which stems from a desire to downgrade the victory of the left, we have to point out their erroneousness.

In reality, the combined electorate of pro-communist forces, that is, those who voted for the party lists of the CPRF, the radical Communists Anpilov and Tyulkin, the leftist statists Ryzhkov-Baburin, and the

APR [Agrarian Party of Russia] amounted to 33 percent. On average, this is two to three times more than the combined electorate of any other ideological-political movement taken separately—Russian nationalists, centrists, radical democrats, and the party of power. But it is precisely the combined vote indicator that represents a key factor in finding out what percentage of the electorate will vote for a particular candidate in the runoff of the presidential elections (it is unlikely that the president will be elected in the first round). In this sense the chances of the candidate from the left bloc so far look better.

The aggregate figure of 33 percent received by the left in the parliamentary elections practically coincides with the forecasts of Communist analysts, who maintained as early as the summer of 1995 that up to 35 percent of the voters who turned out for the elections would vote for pro-communist electoral coalitions. About four or five months before the elections, Zyuganov Communist Party experts predicted the CPRF results in the federal electoral district with a precision of plus or minus 1 percent. What came as quite a surprise for the party was the large number of seats it won in majority districts: 59 instead of the expected 30-40. However, this surprise can be counted as a pleasant one for the Communists. Overall, the fact that they achieved the planned results in the parliamentary elections and even exceeded expectations somewhat can be counted as undoubtedly successful implementation of the electoral strategy developed by Zyuganov's Communist Party.

At the same time, the CPRF turned out to be the most efficient party: It achieved maximum results at minimal cost. Of 257 Communist Party candidates in the federal district, 99 made it to the parliament, and of 132 running in single-seat districts, 59 made it to the Duma (efficiency: 44.7 percent). The CPRF was near the bottom of the list in terms of investment in television advertising, and its candidates are the "cheapest" in a sense of financial outlay. Since, according to expert estimates, the quantity of money accumulated by Zyuganov's party in the course of the parliamentary election campaign was practically equal to that at Zhirinovskiy's disposal, we have to presume that the Communists are deliberately saving the stash for the presidential race.

In the course of the parliamentary campaign the CPRF followed the principle formulated by ancient medicine: Do no harm. The Communists saw their task as exploiting to the maximum public mood dynamics objectively favorable to them (the general shift of the Russian electorate to the left), while not alienating it with excessive radicalism and sudden shifts. Writing off the CPRF success exclusively on the accumulation of a protest vote presents a picture that is both incomplete and incorrect. Although this motivation cannot be discounted, it is far more important that in the eyes of the voters the party has become the embodiment of such traditional values associated with the Soviet era as stability and security, predictability and state paternalism, relative prosperity and the status of citizen of a great power. The CPRF has managed to rally around itself a considerable segment of Russian society on the basis of leftist-conservative consensus. The latter, albeit negative with respect to the current regime in Russia, is not destructive by nature, is far less predisposed to radicalism than some think, and aims at violent action even less. The CPRF is insured from revolutionary zeal both by the nature of its mass electorate and by the need to expand the latter in order to succeed in the presidential elections.

The Communists-"Zyuganovites" have been successful in building very professionally and technically proficiently their electoral strategy, the main elements of which are: precise party lists and competent policy in the regions; effective use of the party's strong organizational structures; a well-orchestrated propaganda campaign; and tight control over the course of balloting and vote counting in electoral precincts.

A competent analysis of the CPRF's regional strategy in the course of the election campaign can be found in Rostislav Turovskiy's article "Russian Communists: Marriage With Democracy" (MOYA GAZETA, 1995, No. 44), which notes first of all the balanced nature of CPRF party lists from the standpoint of regional prospects, as well as the party's successful use of organizational and personnel potential at the local level.

In terms of content, the CPRF's propaganda campaign is aimed at forming the image of a moderate-opposition, leftist-conservative force; at the same time, the propaganda is targeted and differentiated in character: In some instances it emphasizes the party's oppositionist stance, in others—its respectability and conventionality. Communist propaganda is conducted predominantly through leftist newspapers and bulletins (about 120 across Russia as a whole) and direct verbal solicitation using the "door-to-door" method. Also widely practiced are meetings with voters in the course of the CPRF leader's numerous trips to Russian regions, which are, as a rule, filled to capacity.

Thanks to the considerable representation of the Communists in a number of local bodies of authority, they took good positions in regional electoral commissions as well. Because of its extensive organizational structures, the CPRF is the only party capable of organizing an alternative vote counting.

Mass publication of numerous sociological surveys that consistently place the CPRF and its leader at the top clearly plays into the Communists' hands. This attracts part of the fence-straddling electorate—those who prefer to vote for the favorite. It was a very rash mistake on the part of the authorities to hype anticommunist hysteria—something in which President Yeltsin personally had a hand. Aware of the negative attitude of a considerable part of the Russian population to the current regime in Russia, it would be reasonable to assume that anticommunist counter-propaganda would produce the directly opposite result: The voters would simply choose to vote to spite the authorities they detest.

Overall, analysis of the CPRF's electoral strategy does not reveal any principal or gross mistakes that negatively affected its showing in the parliamentary elections.

Will the Leninists Regain the Kremlin?

Although the Communists managed to avoid serious "flops" in the parliamentary campaign, they encountered in the course of it a number of problems that are extremely important from the standpoint of the presidential elections.

In a number of parameters they differ qualitatively from elections to the parliament, especially considering that the latter does not carry that much weight in Russia. First, the stakes and tensions are much higher. The Communist Party leader's participation in the presidential race and his entry into the runoffs will most probably result in a consolidation of the anticommunist and noncommunist electorates around the noncommunist candidate. Therefore, even if the combined left-wing electorate ensures that the communist candidate makes it to the runoff, it far from guarantees him final victory.

Thus, Communists' key task at the stage of the presidential campaign is to achieve the maximum mobilization of its electorate, whose potential is estimated by leftist analysts at 52 percent of all eligible voters in Russia.

The CPRF was able to increase its electorate almost 2.5-fold compared to the December 1993 elections, but its expansion occurred mainly by the addition of voters who did not participate in the previous elections, and partly by the addition of nationalists and Agrarians (a redistribution of the vote within the opposition electorate). Since increased electoral activism of the population can bring the left at most 3-4 percent in additional votes in the June elections, they must take votes away from other parties and contenders (of a nonleftist orientation), something that is extremely difficult to achieve. Further correction of the CPRF's image in the direction of a demonstration of respectability and peace-loving inclination, a moving away from communism, and a search for compromise with the authorities and elite groups—increasing the opportunistic tendency, in the language of communist fundamentalists—may be fraught with the loss of a considerable part of the moderately oppositionist electorate supporting the Communist Party. In turn, it is hard to imagine that the Russian elites will allow to take the presidential chair a politician who has not found at least a limited consensus with them. Figuratively speaking, the CPRF and the candidate from the left will have to balance between the Scylla of oppositionism and the Charybdis of "appeasement"—a situation in which it is very easy to lose one's equilibrium.

Short term, the traditionally insignificant influence of the Communists among the young does not present a serious problem for them, since this age group is characterized by high absenteeism. In the context of the presidential elections the greatest "trouble spot" for the left is their weak position among professionals, entrepreneurs, skilled workers, as well as in the capitals. These socio-professional groups, and Moscow and St. Petersburg, comprise the main reservoir of the traditional electorate of the democrats and the party of power. But it is still this electorate that the Communists must attract to their side, at least partially, if they want to achieve guaranteed success in the presidential elections.

A massive television advertising campaign during the last days before the elections may become a decisive factor in attracting the vacillating part of the democratic and noncommunist electorate to the communist side. (This is where the secret of the LDPR's [Liberal Democratic Party of Russia] relatively successful showing in the latest parliamentary elections lies.) Most likely, the left is accumulating money with precisely this aim in mind. However, it is far from certain that they will be able to gain unimpeded access to central, Moscow, and St. Petersburg television channels, which are most important for propaganda "saturation" of the capital and the aforementioned electorate groups.

The second important difference between the presidential campaign and the parliamentary one is in that it is much more personified: In June voters will be electing not so much a party as a person. Meanwhile, Zyuganov has a well-established image as a strictly party leader rather than a national one; he is not charismatic, and, very important, not very telegenic. It is doubtful that he will be able to radically change this image over the remaining several months.

Nevertheless, the CPRF nominated Zyuganov rather than someone else as its candidate for president, counting on the strength of the well-oiled party machine compensating for the shortage of personal charm and lack of charisma. It seems futile to count on a split and weakening of the CPRF's electoral positions as a result of internal moods and/or it simultaneously nominating several candidates. The party is inspired by its victory in the parliamentary elections, is cohesive and disciplined, and a strict but competent apparat control on the part of its leadership permits it to keep in check or localize all possible attempts at separatism.

One could appraise the CPRF showing in the parliamentary elections as an unquestionable success. The party achieved and even exceeded the goals it set for itself, demonstrating extremely high effectiveness in the process. The secret of the Communists' parliamentary victory lies in their skillful use of the situation in the country, which had been objectively developing in their favor, and at the same time avoiding serious mistakes in their electoral strategy.

At the same time, the presidential elections bring the left face to face with a number of serious problems, to solve which they will have to qualitatively modernize their whole strategic, tactical, and ideological arsenal. Objectively these tasks are on the borderline of the Communists' maximum abilities, and therefore it is impossible to predict whether they will manage to do this.

But even if the Communists do not succeed or do not fully succeed in modernizing the electoral strategy, their chances for victory in the presidential elections nevertheless remain very high. Much will depend on the socioeconomic and political situation in the country and the dynamics of the public mood stemming from it, which is difficult to change and which could easily continue to develop in a direction favorable to the left. It is certain that hyping direct and primitive anticommunism will work in favor of the latter. An unquestionable plus for the Communists is the split within the democratic electorate, as well as a possible strengthening and development of the schism and even confrontation that has developed lately between the authorities and the democrats. And finally, the left will be able to put into the service of its electoral campaign the considerable resources of the Duma, which it controls to a large extent.

In any case, the candidate from the united left-wing bloc is one of the most serious contenders for the presidency and is practically assured to make it to the runoff round.

Russia: Power Struggle Seen Within Yeltsin's Campaign

MK0503131896 Moscow KOMMERSANT-DAILY in Russian 5 Mar 96 p 3

[Report by Natalya Arkhangelskaya under "Boris Yeltsin's Election Campaign" rubric: "Staff Maneuvers"]

[FBIS Translated Text] Saturday's event in the Moscow City Hall — the founding conference of public movements in support of Boris Yeltsin — was the first attempt to get rid of the confusion that has reigned throughout the giant construction site that is the incumbent president's election campaign. Apart from the 19 initiative groups that have been registered by the Central Electoral Commission — and that have set it as their goal to bring Boris Yeltsin to the Russian helm yet another time — there are at least another five, more or less, independent electoral staffs crowding around that are preoccupied with the same idea.

The three best known of them — Sergey Filatov's group [not named here], Viktor Chernomyrdin's "Our Home Is Russia" [NDR], and Vladimir Shumeyko's "Reform New Course" [RNK] — attempted to straighten out their relationships at the aforementioned congress. Another two groups act in a more discreet fashion in Yeltsin's immediate vicinity. These are the groups under Ilyushin (Yeltsin's closest aide) and Korzhakov-Soskovets (chief of the presidential security service and first deputy prime minister respectively).

Each of the five staffs listed above participates in the campaign as far as its understanding of the campaign's objectives and priorities allows it. Filatov has effectively assumed responsibility for the votes of the democratic electorate, which through his efforts should find their way into Yeltsin's ballot box. The NDR, for its part, is obliged to bring in the 10 percent of the vote it garnered in December. Vladimir Shumeyko and his RNK offer to "cultivate" the regions. Korzhakov and Soskovets, who see little sense in the democratic electoral bustle, think it more effective to operate directly through the government hierarchy. Ilyushin, who is the closest to the president and, moreover, who has a better idea of what an election is about (he was involved in Yeltsin's previous election campaign), works immediately with the candidate. His team already includes Aleksandr Urmanov, a well-known campaign manager from Yekaterinburg, who together with Gennadiy Burbulis engineered Yeltsin's election to the presidential post in 1991. The scenario of Yeltsin's first electoral trips — to Yekaterinburg and Chelyabinsk — was drawn up by Ilyushin's staff.

The listed staffs have no financial problems, which is easy to explain because nearly all the main "staffers" are "built into" the executive authority. Filatov has the most limited capabilities in that regard — his activity is expected to be financed from the so-called "Chubays fund," which is being set up with the help of the six largest commercial firms, which offered their services in the struggle against the threat of a communist comeback in Russia. Yet, surprises cannot be ruled out here.

According to KOMMERSANT-DAILY's information, the former deputy prime minister was expected to attend Saturday's conference at City Hall, but he never showed up there. According to informed sources, Chubays — on whose circumspection and tenacity large business circles rely — does not intend, for the time being, to "blow his cover" as the sponsor of the coordinating council created under Filatov's aegis. But it is not quite clear who will call the shots there and what direction they will take. Certain — and fairly serious — differences between the leaders of the newly created coordinating council manifested themselves already at the founding conference. While Sergey Belyayev, an NDR leader, was convinced that he joined a rightist, liberal, democratic structure, RNK leader Shumeyko thinks that the newly created council should emerge as "the third force," distancing itself equally from the left and from the right. Be that as it may, Chubays — vested with the confidence of the "big shots," and a person whose political clout is already rising before our very eyes — may acquire a much more important role in the election campaign.

All the aforementioned groups, involved in the president's election campaign one way or another, are locked in an invisible rivalry that is dexterously stirred on high. It should be recalled that some time ago it was promised that, out of the numerous initiative groups in support of the president that existed at the time, the one that first collected 1 million signatures would be made the main support group. This rivalry is particularly fierce at the level of the nomenklatura staffs, manifesting itself, in particular, in the under-the-carpet struggle for the post of chief of the election campaign as a whole. More than a month ago Yeltsin appointed First Deputy Prime Minister Oleg Soskovets as chief of his electoral headquarters. But his first steps in this office were so ill-conceived that the question of who will head the headquarters was for a time taken off the agenda altogether. A few days ago Yeltsin confirmed his intention to appoint Oleg Soskovets to this post. Mr. Filatov remarked publicly that, during the election campaign, a campaign manager must leave his office at the White House. A refutation was swift: Soskovets announced through his aide, Mikhaylov, that while heading the staff on an unpaid basis he is by no means obliged to leave his duties as deputy prime minister. The democrats who stand behind Filatov have clearly wished to weaken, if possible, the figure of the first deputy prime minister by removing him — at least temporarily — from the White House, where he has emerged as the strongest rival to Viktor Chernomyrdin, whom the democrats are backing. Soskovets himself does not appear to be ready to plunge into the campaign whirlpool headlong. This business will take much effort, while gaining his laurels here will be a difficult thing to do — Yeltsin's victory cannot be overwhelming by definition (if it takes place at all) because his rival is too strong. Typically, the highest-ranking bureaucrats in the government staff are basically certain that Yeltsin has set Soskovets up for a fall by handing him this appointment.

There is also a theory whereby the Kremlin group would be very much willing to remove the premier from the White House, even at the expense of appointing him chief of the electoral staff. Finally, it may just happen that a third figure will be named to head the staff (the election campaign per se will not start until late April) and this could be none other than Nikolay Yegorov, current chief of the presidential staff, who has been displaying exceptional activity.

Russia: Paper Views Electoral Commission Instruction

MM0503102296 Moscow ROSSIYSKIYE VESTI in Russian 2 Mar 96 Saturday Edition p 2

[Article by Nikita Vaynonen: "Central Electoral Commission Demands That You Refrain from... Observing the Constitution"]

[FBIS Translated Text] The Central Electoral Commission has asked the editorial office to give its comments on the draft "instruction" regulating the procedure for granting broadcasting time and printed space to Russian Federation presidential candidates. I think it would be useful to do this publicly, on the pages of the newspaper.

Point 1.4 of the draft reads: "The state mass media and their officials and also creative workers in the period of electoral campaigning must in their reports, materials, and broadcasts refrain from support or preference expressed in any form fpr particular candidates for the post of Russian Federation president and to their electoral programs."

In fact that means that the federal television channels and newspapers with state participation must stop showing and printing items about, for instance, B. Yeltsin or G. Zyuganov: Since the journalist "should not" voice his position "in any form" consequently any information, even the most sterile and impartial, could be interpreted by the court as support or preference for one candidate over another. You cannot even print a photograph not to mention an election program. How will citizens make their choice? Is this not a violation of their electoral rights?

But if this point in the draft "instruction" can still be considered mere stupidity, the appearance in it of point 1.3 cannot be explained by a failure to think things through. "Officials," this point says, "who are in state or municipal services and are registered as Russian Federation presidential candidates must not use the advantage of their official position over other candidates during the period of election campaigning."

At first glance how correct and democratic it seems! But in fact? Although the head of state and the State Duma deputy are elected, the former has always traditionally been regarded as an official and the latter as an agent. Boris Yeltsin consequently cannot enjoy the services of the federal television channels or even the newspaper founded by the president's staff while Zyuganov can use as many as he likes. Moreover, the behavior of the nonstate mass media is not regulated by the "instruction," that is it does not affect the communist press at all, only placing bans on two mass federal publications — ROSSIYSKAYA GAZETA and ROSSIYSKIYE VESTI. Both these publications constantly print official documents implementing the policy of the acting executive branch. Separating that policy from the election program is not possible either formally or in practice and the result is that whole strata of information items ensuring publicity for all the actions and steps of the state must disappear from the press?!

The argument that this is an unconscientious interpretation of the "instruction" is unsound. Our newspaper receives a large amount of mail both supporting and criticizing the president and the Russian Federation Government. Putting it next to official documents, commenting on one thing or another — the entire lively exchange of information between the authorities and society, will, following the "instruction," have to be curtailed precisely when it is particularly necessary! Here the opposition press will not keep quiet for a minute. Is the Central Electoral Commission not thinking of advising the courts which it is using as a threat of distinguishing items according to purely formal signs — this one contains the words "I support" and "I am campaigning for" and this one does not? Any professional will tell Mr. Ryabov: A fact or document possesses far more campaigning force than an appeal. We cannot abandon even temporarily the printing of items which ROSSIYSKIYE VESTI must publish in accordance with its status established by presidential edict. Of course, the "instruction" cannot repeal this edict either. It can be fulfilled by one single method, to which journalists were forced to resort in the times of stagnation — recourse to allegorical language.

The work of the mass media in the period of electoral campaigning is regulated by the federal laws "on the election of the Russian Federation president" and "on the basic guarantees of Russian Federation citizens' electoral rights." Both, failing to consider technical details, impose just one restriction on journalists: They are banned from taking part in covering the election campaign if they are candidates, agents, or members of electoral commissions. The laws contain no other bans and that means that the "instruction's" prohibitory points are nothing more than amateur legal activity with no legal force. The laws impose on the Central Electoral Commission on this plane just one duty: publishing an "instruction on the procedure for providing broadcasting time" and establishing "the procedure for publishing election campaign materials," proceeding from the principle of equal opportunity prescribed by those same laws. But it is this principle which the draft "instruction" violates! And it interprets it in its own way - - as a ban on journalists expressing their own opinion. By equal opportunities the laws understand something different: If any candidate is given broadcasting time (or newspaper space) then the state television company (or editorial office) "does not have the right to refuse" another candidate of the same space on the same terms. The law does not require that space be granted if it has not been requested and still less does it ban one of the mass media and its readers, viewers, and listeners from giving their opinion of candidates. To interpret equal opportunities broadly as a restriction on the rights of journalists and citizens means grossly violating article 29 of the Russian Federation Constitution, which guarantees freedom of thought and speech to every person.

But the Central Electoral Commission's arrogance does not end here. At a 28 February briefing A. Veshnyakov, a secretary of the Central Electoral Commission, warned journalists: "There should be no campaigning now" — according to the law, he said, this is possible only from the moment a candidate is registered. And he threatened to apply sanctions. Does the Central Electoral Commission have a good read of the laws which it should fulfill? Both laws — on the election of the president and on basic guarantees of electoral rights — state that "election campaigning begins on the day of the candidate's registration." The laws do not contain a word about a ban on any campaigning before that day. "NO campaigning!" So you cannot campaign for a candidate's nomination and the collection of signatures in his support? The Central Electoral Commission does not have the right to write or interpret laws. There is an overt and moreover extremely arrogant and clumsy exceeding of its powers.

From the editorial office: ROSSIYSKIYE VESTI considers it necessary to make it known in advance to all interested parties that it will be guided only by the Russian Federation constitution and laws and not by the crude "rules" of the election department.

Russia: APR's Lapshin Criticizes Yeltsin's 'Land Edict'

MM0403153896 Moscow SELSKAYA ZHIZN in Russian 2 Mar 96 p 1

[Agrarian Party of Russia Press Service report under the "In Russia" rubric: "Threat in the Form of an Edict"]

[FBIS Translated Text] "The Russian president's intention to fill the legal vacuum in land relations and issue an edict designed to replace the Land Code within a week may turn into lawlessness," — Mikhail Lapshin, leader of the Agrarian Party of Russia [APR], has made this statement for the press.

In his opinion, Boris Yeltsin's "land edict" will inevitably contravene certain articles of the Russian Federation Constitution currently in force. This specifically means Point 3 of Article 36, which says that "the conditions and procedure for the use of land are determined on the basis of federal law," and also Point "b" of Article 72, which places questions of the ownership, use, and disposal of land under the joint authority of the Russian Federation and its components.

The presidential edict is pushing the country toward the voucherization of land relations, the Agrarian Party of Russia leader believes. "The frightening specter of Chubays' method of dividing the land is already hanging over Russia. This edict of the president will bring the Russian peasants nothing except new discord, resentment, and a feeling of having lost the land," Mikhail Lapshin stressed.

Media Issues

Russia: Poptsov Denies Financial Violations

MM0103141896 Moscow PRAVDA-5 in Russian 1-8 Mar 96 p 8

[Interview with Oleg Poptsov, recently dismissed as chairman of All-Russian State Television and Radio Broadcasting Company, by Tamara Martynova; place and date not given: "Yet Another Romance With Power Ends in Drama"]

[FBIS Translated Text] Over the past week the Poptsov affair has become surrounded by scandalous rumors. I decided to pursue the topic by seeking the comments of the main protagonist in the affair.

[Martynova] Oleg Maksimovich, it is well known that the question of our dismissal was again touched on at Yeltsin's recent meeting with the leaders of the Russian mass media. The president stunned everyone by announcing that Poptsov was guilty of financial violations. So would it appear that he was showing mercy by dismissing you?

[Poptsov] When I was young, seeing that lies were becoming the philosophy of life around me and of big bosses, I promised myself I would always speak the truth. I knew it would still be regarded as lies, but at any rate my conscience would be clear.

Right, I want to tell you: The first I heard of the financial violations that supposedly took place in the company was from people who attended this meeting with the president. They told me that Boris Nikolayevich, after an outburst about "skullduggery" and about noncompliance with some of his personal directives, went on to say, as though seeking to quell the wave of questions: "...and anyhow, under Poptsov there have been financial violations there, but I don't want to go into this."

When I heard this it reeked to me of our past: First the accusations, then the quest for proof.

But surely it is clear that if indeed there had been financial "skullduggery" and abuses under Poptsov, then, given the complex relations with the authorities that he had, he would long since have been "gobbled up." Would anyone who held such trump cards not use them immediately? That is the first point.

Second. The specific thing about the VGTRK [All-Russia State Television and Radio Company] is that two people, Poptsov and TV General Director Anatoliy Lysenko, were appointed by presidential edict. And we divided up our internal duties as follows: The chairman is responsible for strategy and exercises overall leadership (although in principle he is responsible for everything), but the TV company's everyday activity and financial activity are under the control of its general director. And when I asked Lysenko what he knew of financial violations, he took this as an insult.

[Martynova] But if you want to you can dig a hole for the leader of any organization. You need only give the word to the relevant bodies.

[Poptsov] As far as the person called Oleg Maksimovich Poptsov is concerned, I can unequivocally state that never in his life has he used a single kopek, cent, or centime in his own favor at the VGTRK company. Though he was entitled to so-called privileges, he never used them. He never received an apartment, a dacha, or other benefits from this uniquely disinterested government.

As far as the company is concerned, the tax inspectorate recently carried out a scheduled check there. A few violations were discovered: Taxes had not been levied on the right person, or, on the contrary, they had been levied when they should not have been. But these errors were made not out of malicious intent, but because of the imperfections of the tax system and because the inspection services of Moscow and Russia interpret the laws differently. However, I must tell you that the inspection found nothing criminal.

Moreover, an audit was scheduled last September on my initiative. I insisted on it, explaining to my colleagues that the company must have an interest in outside control. We are operating in troubled times (first a law appears, then an administrative ordinance, and then instructions, which virtually totally rebut the law) and we must make ourselves safe from unpleasant surprises. The inspection is under way, a few blunders are being revealed, but again nothing criminal has so far been discovered. I know this upsets some people. Nevertheless, it is true.

[Martynova] However, the insidiousness of the words spoken by the president, apparently parroting someone else, lies in the fact that they excite and inflame the imagination of the man in the street. And many people begin to think: Aha, if Poptsov is mixed up in financial violations, then.... However, so far I have not heard anything about antiques in your house and Mercedes in your garage. But there is already a rumor about a certain account to which certain sums were transferred as a reward for your personal services as company chairman and chairman of the board of directors of the VGTRK advertising agency.

[Poptsov] I can reply with a single word: "Rubbish!" I became chairman of the board of directors of the advertising agency specifically in order to keep an eye on the whole process and rule out any possibility of abuses. We deemed it impermissible for anyone at the state company to "play around." And we decided that advertising in our company should be handled by professionals, and we would keep an eye on their activity. They report quarterly to the VGTRK general director's office.

Now a few words about the account. Yes, I do have an account. In Germany. Where my book "Chronicle of the Times of 'Czar Boris'" was published. I received DM17,000 for this, which is in Deutsche Bank (incidentally, so far I have not received a kopek for the Russian publication). All the rest is total nonsense. The people who invent this stuff are either simply sick or unscrupulous themselves.

In his time Gertsen very accurately explained the difference between a swine and an intellectual. It is that a swine views an intellectual as a swine. And an intellectual views a swine as an intellectual. That is the tragedy!

Now, unfortunately, we have entered a period when the problem of theft has been legalized, as it were, and has become the norm. Someone who does not steal evokes irritation and hostility: Why is this son of a bitch showing off? Just you see, we will dirty your hands. Then everything proceeds according to the well-oiled scheme: There are financial violations there....

[Martynova] The press has hinted that Mr. Berezovskiy, head of "LogoVAZ," who is allegedly dreaming of becoming a Russian TV magnate, had an interest in your dismissal. Is this true, or another fantasy?

[Poptsov] If the press is hinting, it must have something to go on. I cannot say our press is blind. Yes, there is such talk, and there is a certain logic about it.

Indeed, two years ago Mr. Berezovskiy talked with me about the flotation of Russian TV. I refused. Since then Mr. Berezovskiy has managed to enfold channel one in his embraces. And also allegedly TV-6, where he is said to have 30 percent of the shares. Time will tell whether he had an interest in my dismissal. All will become clear with the passage of time.

[Martynova] May the truth be revealed about the mysterious talk that you signed important documents connected with "Russian Universities" and that now channel four will pass into businessmen's hands?

[Poptsov] Yes. On the basis of the president's directive of 15 December 1995 I signed an appropriate contract. The channel was not working all that well, and the previous team had not coped with its task in four years. I said I was taking over the running of the channel and would try with a different team to produce a different channel over the next six months. By using investments.

We prepared a new concept for the channel, which was not to feature politics, but was to feature spirituality. We sought to retain the idea of enlightenment, and to add the idea of legal education.... We wanted mass culture, in its best samples, to become a corridor to high culture.

And along with presenting intellectual achievement and creating the "ZhZL" series, we planned game shows, sport, entertainment, music.... What is wrong with this?

I don't know whether these plans will be implemented after my departure from the company.

[Martynova] Don't you think you have been hoist by your own petard? Has your crazy belief in democracy and in Yeltsin rebounded against your own fate?

[Poptsov] No, I don't think so. I remain confident that things will change one day. It is just that sometimes an idea proves more powerful than the people who are carrying it. They collapse beneath the cross, as it were. So new people have to be made to carry this cross.

I reject the position of those who exploit democracy in order to come to power, only then to destroy that democracy. I hate those who thieve and wax fat. But I admire those who work and earn well. I believe we need reforms. Although I know that reform means suffering. A woman suffers in order to give birth to a child. But her belief in the birth of a new being to continue life makes her endure that suffering.

Nobody will force me to think otherwise. Nobody! Even by trying to sully my name. So I remain a supporter of democratic development, a supporter of Russia's entry into the civilized world.

[Martynova] I appreciate your beliefs and conviction. But if the democratic transformations in the country are headed by people who are not respected by most of their fellow citizens, this discredits the very idea of democracy. Realizing this perfectly well, will you be able to vote again for Yeltsin?

[Poptsov] I have already answered this question: I will give the matter some thought. And although the president determined my participation in the elections by saying he does not need my support, I will make my own choice.

Military & Nuclear Issues

Russia: Federal Military Cooperation Program Nears Completion

LD0503105596 Moscow ITAR-TASS in English 1028 GMT 5 Mar 96

[By ITAR-TASS correspondent Oleg Velichko]

[FBIS Transcribed Text] MOSCOW, March 5 (Itar-Tass) — Work on the project of a federal programme for military and scientific cooperation with foreign partners up to the year 2005 will be finished soon, according to a decision adopted at Tuesday's session of the Interdepartmental Coordinative Council for Defence and Scientific Policies.

First Vice-Prime Minister Oleg Soskovets, who presided at the session, said that budget assignments for defence project increased in 1996 reaching 12 percent of expenditure on national defence.

According to Soskovets, the production slump in the defence industry was stopped in 1996. "For the first time, expenses for equipment purchases were paid wholly, in accordance with the budget law, though after some delay," he said.

"The defence orders in 1996 provide for a considerable increase in weapons and equipment purchases for the Russian Federation Armed Forces," he said.

Soskovets attached considerable importance to military and scientific cooperation with foreign partners. Fifty-one countries cooperated with Russia in this field in 1995. Defence production exports rose 80 percent compared to 1994 exceeding three billion US dollars, according to him.

As much as 75 percent of deliveries were paid for in cash. The deliveries planned to be effected in 1996 are designed "to ensure a foreign currency influx into the national economy and to help stabilise the defence complex," he said.

Participants in the session evaluated the results of military and scientific cooperation between Russia and foreign partners in 1995 and discussed major lines for future development.

Russia: Grachev Charged With 'Deviating' From Court Decision

LD0403214596 Moscow INTERFAX in English 1940 GMT 4 Mar 96

[FBIS Transcribed Text] TIRASPOL, March 4 (Interfax) — The military court attached to the Russian troop contingent in Moldova's Transdniestr region has instituted a criminal case against Russian Defense Minister Pavel Grachev.

The military court sent a note to the Russian Main Military Prosecutor's Office Monday announcing the case.

Grachev is charged with "purposefully deviating from the implementation of the court's decision."

In particular, the military court earlier recognized as legally invalid Grachev's order on dismissing commandant of the Tiraspol garrison Mikhail Bergman and ruled that Bergman and several other servicemen should be reinstated in their capacity.

The military court said Col. Nikolay Angelov, Grachev's representative in the court, could not have failed to notify Grachev of the military court's decision. Thus, the military court ruled that Grachev purposefully deviated from the implementation of the judicial decision.

Russia: Daily Skeptical About Wage Arrears Settlement

MM0403145196 Moscow KRASNAYA ZVEZDA in Russian 2 Mar 96 p 1

[Report by Petr Karapetyan: "If You Believe the Government, Budget-Funded Workers Will Start To Be Paid Their Wage Arrears in March"]

[FBIS Translated Text] An enlarged Russian Government session took place 29 February in a setting traditional for events at such a level, amidst a great deal of criticism, numerous appeals for reforms to be carried out for the sake of people — focusing the Cabinet of Ministers' efforts on upholding social and economic human rights — and a small dose of optimism as befits the country's invidious economic position. Presumably, the average Russian will compare the assessments of the country's economic position voiced in reports by participants in the conference with the extent to which their lives improve or deteriorate every day and will draw conclusions as to how good or bad everything is.

What have we achieved? As Viktor Chernomyrdin said, this is the first time that the government has entered a new year with an approved budget, persisted with the policy of abandoning inflationary means of funding its deficit, and accumulated sufficient gold and currency reserves to counteract any violent fluctuations. The stock market and financial-industrial groups are developing successfully. The fact that the premier described his team's main task for the first six months of the year — ensuring improvements in Russians' social life — as no more than "our duty and obligation" is heart-warming. And the government's intention of concentrating first on dramatically reducing the scale of payment arrears within the economy, which should mean paying off budget debts, and second on eliminating federal budget debts, primarily wage arrears, is undoubtedly cause for unbounded rejoicing.

Why have budget-funded workers not been paid for the umpteenth month now? President Boris Yeltsin primarily blamed Finance Minster Vladimir Panskov for this when the latter cited unplanned federal budget expenditure in 1995 as the main cause of the wage arrears. Yeltsin said that the "Finance Ministry is still to blame" even in the cases cited by the minister, "thus, it is a vicious circle." Local budgets, the head of state went on, are unable to pay the wage arrears as a result of the Finance Ministry's poor work. Some 60 percent of Federation components hold transfer documents, "but you have failed to pay up in respect of these documents," the president told Panskov. That is why, Yeltsin said, the personnel of budget-funded organizations have no money.

What is the main thing today? According to Boris Yeltsin, to normalize federal and local budgets. The next phase is to immediately begin implementing the proposals to strengthen budgets' revenue base. The president agreed with the prime minister's opinion that 1995 was not in vain. Results have been achieved, the first signs of stabilization are in place, he stressed. According to the head of state, the country is now going through the process of the economy's adaptation to low inflation and low profitability, and this is a painful process. According to the president, he knows how hard it is for the government to curb the offensive by the so-called inflation party. "But you have taken the correct line," the president stressed, addressing the government, "and I back you in that."

The average Russian can sum up the results. If you believe the government, there will be progress as regards the payment of wage arrears as early as March. That would be good; to date 12 trillion rubles remain unpaid. If you believe the government, this year Russians will be conscious of an improvement in their situation as a result of a whole series of measures to improve social life. Admittedly, we did not hear any intelligible explanations as to how the debts will be paid off. Just as we did not hear how such a long-awaited turn for the better will be achieved in wages, pension provision, and when it comes to resolving the problems of unemployment and housing construction. Is there anything to be gained from making a secret of this, or has the government perhaps gotten into the habit of making promises that it knows to be unfeasible?

Time will tell.

Russia: Minister Outlines Future of Nuclear Power Industry

LD0403200996 Moscow ITAR-TASS World Service in Russian 1708 GMT 4 Mar 96

[By ITAR-TASS correspondent Veronika Romanenkova]

[FBIS Translated Text] Moscow, 4 Mar (Itar-Tass) — Russian specialists have finished designing a nuclear power station with a new generation of high-safety reactor, the VVER-640 light water model. The paperwork has been sent to the nuclear power supervisory agency, which should then issue a licence for a power station to be built to this design at Sosnovyy Bor in Leningrad Region, Russian Atomic Power Minister Viktor Mikhaylov told a news conference today.

The ministry also intends in the near future to build new generating sets at the existing Kalinin and Novovoronezh stations, and to commission a new station at Rostov. Longer-term plans are to expand the Beloyarsk nuclear power station and build a South Urals nuclear power station, the minister said. These projects could come to fruition in 6-10 years' time.

Russia currently operates nine nuclear power stations with 29 generating sets. Eight of these are first generation, built in the 1960s and due to be taken out of operation by the year 2001. All of these generating sets are still passing their annual inspections, Mikhaylov said. He added that after the Chernobyl disaster of 1986, construction of new power stations was greatly cut back. It would have been possible to bring four or five new generating sets on stream every year, but only four reactors have been started up in the past 10 years — three at Balakovo and one at Smolensk.

Viktor Mikhaylov stressed that Russian nuclear power's safety record has improved of late. In 1994 there were eight incidents, but only three in 1995. The Atomic Power Ministry spends between $60 and $150 million each year on improving safety, of which only $5-8 million are given to Russia in the form of foreign aid.

Regional Affairs

Russia: Western Diplomats Show Interest in Kabardino-Balkaria

MM0403142696 Moscow RABOCHAYA TRIBUNA in Russian 2 Mar 96 p 2

[Unattributed report: "Open House for Spies"]

[FBIS Translated Text] Major General Aleksandr Makarychev, Kabardino-Balkaria security minister, has reported that representatives of foreign states' embassies and consular establishments and military attaches paid over 20 visits to the Kabardino-Balkar Republic in 1994-1995. A total of 85 people. They included quite a few military intelligence officers, special service staffers, and people suspected of links with them.

Attempts were made to gather information indicating the existence in the North Caucasus republics, including the Kabardino-Balkar Republic, of the conditions and preconditions for the emergence of crisis situations, manifestations of extremism, nationalism, and separatism, and the broadening of the sphere of influence of the "Muslim factor."

The intelligence services' representatives try to ascertain the likelihood of the Kabardino-Balkar Republic's secession from the Russian Federation and other aspects of mutual relations with the center. The Republic's position toward other republics of the region and its approach to the assessment of events in Chechnya, Abkhazia, North Ossetia, and Ingushetia are also being studied.

Interest is also being shown in the deployment of military units and the presence of volunteer formations.

Russia: Lukashenka Visits Khanty-Mansiysk Oil Region

MM0403154096 Moscow ROSSIYSKAYA GAZETA in Russian 2 Mar 96 p 7

[Report by Nikolay Dudnikov: "The Russian North Is a Belarusian's Second Home"]

[FBIS Translated Text] Khanty-Mansiysk Autonomous Okrug — President Alyaksandr Lukashenka of the Republic of Belarus has flown from Moscow to the Khanty-Mansiysk Autonomous Okrug, to the city of Nizhnevartovsk.

By the aircraft steps the lofty guest gave a brief news conference for journalists, which outlined the main aims of his working visit.

"In the sphere of integration," the president said, "we want to link our destiny with this distant region. Oil is an export commodity, and it usually passed through our Republic."

Lukashenka spoke of the possibility of saturating the oil cities' market with a wide range of goods. Incidentally, some of these cities in the central Ob region were built by Belarusians. Their diaspora still exists here. The president expressed a desire to meet with his fellow countrymen. "If they want to return to their historical motherland, we will think about where to accommodate them. And not only Belarusians," Lukashenka remarked. "If Russians also want to come, we will have enough land for everyone."

The president commenced the next morning in the city of Megion — he met with a Belarusian oil workers' team. Then a conference took place at the "Megionneftegaz" Joint-Stock Company with oil workers and heads of local administrations — questions of expanding economic ties and helping to resolve the social problems facing the Belarusian diaspora in oil cities were discussed.

Lukashenka left Megion 1 March for the city of Langepas — a Belarusian outpost in Russia's oil north. This ended his working visit.

Russia: International Organizations Evacuating Sernovodsk Residents

LD0403165796 Moscow ITAR-TASS in English 1637 GMT 4 Mar 96

[By Kometa Tepsayeva and Aleksandr Kharchenko]

[FBIS Transcribed Text] GROZNYY, March 4 (ITAR-TASS) — Ingush authorities and international organisations pooled efforts on Monday to evacuate civilians from the village of Sernovodsk, western Chechnya, where Russian government forces are continuing their assault on Chechen rebels launched on Sunday.

Ingush President Ruslan Aushev and two international organisations — Doctors Without Borders and the Red Cross — provided buses and cars to evacuate the villagers. Those killed were carried to the mosque damaged by shelling to bury them later. By Moslem traditions, the deceased is buried on the day of his death. However, as the shooting was still going on the outskirts of the village where the cemetery is located, the relatives of some of the killed villagers buried them in their own yards.

Refugees who had left the village before noon had been registered in the village of Sleptsovskaya located on the Ingush border.

The exact number of refugees from Sernovodsk seems to be impossible to ascertain as, apart from 13,000 villagers, there were several thousand refugees from Groznyy, Bamut, Roshni-Chu and other districts of Chechnya who stayed in three local sanatoriums.

The flow of refugees who had left Sernovodsk through a corridor made by federal troops had ceased by noon.

Yuriy Gorev, Ingushetia's civil defence service chief, told Itar-Tass that Russian aircraft fired at the sanatoriums near Sernovodsk, leaving the village itself intact.

However, witnesses said that 26 injured villagers had been admitted to a hospital in Ingushetia's Sunzha district and 23 more had been sent to Nazran. Three women were killed by mines as they were trying to escape from the village.

This information was confirmed by Mukharbek Batayev, the head of Ingushetia's rescue service, after his trip to Sernovodsk today.

According to the local migration service, there are over 15,000 refugees from Sernovodsk in the republic.

Villagers who fled Sernovodsk on Sunday, said members of the Chechen OMON [Special Purpose Militia Detachment] riot police, who had arrived in the village on Saturday, met rebel leaders and reportedly agreed to settle the crisis peacefully.

The talks were supposed to resume on Sunday, but, for yet unknown reasons, in the morning the village was shelled. Witnesses said that two sanatoriums and the local school had been destroyed. Casualties were reported on both sides.

The Chechen Interior Ministry told Itar-Tass that four Chechen OMON policemen attached to Russian troops to.prevent incidents involving local residents had been injured in Sernovodsk on Sunday and were in hospital in critical condition.

Chechen Minister of Information Abdula Bugayev told journalists today that the operation in Sernovodsk had been practically completed and its residents had been evacuated to the village of Ordzhonikidzevskaya.

Meanwhile, the situation in Groznyy and Chechnya as a whole remains tense. Russian troops came under fire 26 times over the past 24 hours, including 13 times in Groznyy. Several people were killed and injured.

Russia: Chinese Ephedrine Smuggling Poses Problem in Khabarovsk

MM0403161196 Moscow ROSSIYSKAYA GAZETA in Russian 2 Mar 96 p 8

[Unattributed report: "Breathing Chinese Ephedrine"]

[FBIS Translated Text] Local policemen have raided drug haunts in Khabarovsk. More than 30 kg of marijuana and thousands of tablets of ephedrine and other drugs were confiscated in one night alone.

The Khabarovsk Kray Internal Affairs Administration Press Service has issued figures on the increased activities by drug dealers, including foreigners, in the Amur region. Although it is possible to stop isolated shipments of smuggled opium, it is increasingly difficult to counter the mass importation of Chinese ephedrine. The fact is that this compound is not considered a narcotic in China's northern provinces, and its production is increasing every year. The ease of manufacturing the powerful narcotic ephedrone from ephedrine explains the scale of its spread.

Russia: St Petersburg Mayor Upgraded to Governor Status

MM0403154496 Moscow ROSSIYSKAYA GAZETA in Russian 1 Mar 96 Weekend Edition p 2

[Report by Sergey Alekhin: "Governor To Replace Mayor"]

[FBIS Translated Text] St. Petersburg — Anatoliy Sobchak will now go down in history as the first and last mayor of St. Petersburg.

The city's legislative assembly finally made the long-awaited decision: On 16 June the people of St. Petersburg will elect not only a president but a city governor as well. The date is set in the adopted law on the election of the mayor (governor) and on the system of organs of state power in St. Petersburg. If Anatoliy Sobchak signs the law , no one, not even the president, will be able to change the date of the election of the St. Petersburg governor. Governors head the executive authorities in most components of the Russian Federation, they ruled for a very long time in Rus, and that is why the post is a purely Russian one.

A contender for the governor's seat in Smolnyy will have to collect at least 65,000 signatures. In the new law St. Petersburg deputies have done a great deal to protect the city from the wrong people. This is the purpose of the two-round system and the so-called residence qualification. You cannot be governor unless you have lived in St. Petersburg for the past year. For example, Yuriy Boldyrev, well-known contender to replace the current mayor, will not now be able to run for the governorship. The legislators have given all candidates an equal chance and each of them is guaranteed television and radio airtime by law.

Russia: Pacific Fleet Repair Plants Hold Protests

LD0503114496 Moscow INTERFAX in English 1042 GMT 5 Mar 96

[FBIS Transcribed Text] VLADIVOSTOK, March 5 (INTERFAX-EURASIA) — Workers at over 40 plants that repair and service ships and military hardware of the Pacific Fleet held rallies in Russia's Far East Tuesday, demanding the payment of Defense Ministry debts for work done.

The ministry debts total 60 billion rubles, the Maritime territorial administration said. Workers are receiving their wages with a delay of two months at most plants. In addition, companies have almost no turnover capital for carrying defense contracts out.

Economic Issues

Russia: Experts Pessimistic on Economic Outlook

MM0403095696 Moscow FINANSOVYYE IZVESTIYA in Russian 29 Feb 96 p 1

[Report by Yelena Krivyakina: "Budget Crisis Arrives on Schedule"]

[FBIS Translated Text] The substantial falloff in federal budget tax revenues was the main economic event of the start of 1996. Around 15 trillion rubles [R] of taxes were collected in the first six weeks of 1996, a collection rate of hardly more than 30 percent. At the same time planned state budget expenditure was over R43 trillion. According to Institute of Economic Analysis [IEA] Director Andrey Illarionov, no deficit on this scale has been observed in the last few years.

Despite the budget crisis, the president has made the decision to allocate extra expenditure to benefit the military-industrial complex, to clear wages arrears, and to increase pensions and grants. This extra expenditure will come to a total of R40 trillion. This has given rise to great fears that the start of the implementation of the decisions will lead to rapid destabilization of the macroeconomic situation.

However, the overspend has not happened yet. Instead of a substantial increase in federal budget expenditure, expenditure has, according to IEA experts, been reduced to an even lower level, even by comparison with 1995. As a result of this, the amount of indebtedness in the Russian economy has risen considerably. A record increase in wage arrears was registered in January 1996. As of 20 January it amounted to 21.3 percent of the population's overall monetary income. Such a high level of arrears has not been observed in the last four years. However, according to Illarionov, the IEA's experts concede that, in the absence of the State Committee for Statistics' figures for 1 February 1996, the level established could be somewhat lower than 21.3 percent.

In Illarionov's opinion, the dynamics of industrial output are the second distinctive feature of the current economic situation. During 1995 the level of industrial output fell by 6.3 percent, compared with 1994. A slight increase in industrial output was recorded in January-February 1995, which was replaced in late February and early March by a slow decline, which continues to this day. The level of development of industrial output in 1996 is 8 percent lower than the average level of 1994. Illarionov has predicted that the decline will continue.

This is due to the gradual alignment of domestic prices in Russia with world prices. In February our domestic prices have already reached 63 percent of the level of U.S. prices. The continuing increase in the value of the ruble correspondingly entails a toughening of the conditions under which the main sectors of the economy function. Therefore, from the IEA experts' standpoint, there are no grounds for expecting an increase in industrial output if the tough budgetary, monetary, and credit policy continues. Most likely, the trend of a slowing down in the decline of industrial output will persist throughout 1996.

At the same time the IEA's experts doubt that the state's policy regarding the population's incomes will be successfully implemented in 1996. The government tried to implement a policy of financial stabilization throughout

1995. The tragedy of the situation is that the hyperactivity intended to either implement it or wreck it did not exert a lot of influence on the processes taking place in the labor market. No changes whatsoever occurred in the dynamics of employment and unemployment in 1995. However, a sharp reduction in wages (13.6 percent) and real average per capita incomes (13.8 percent) were recorded. The initial decline was so substantial that it proved simply impossible to remedy the situation by the end of the year. As a result, the number of the population whose income was below the minimum subsistence level increased by 10 percent. At the same time the government was far more active on the indexation front than in 1994.

Given this situation, the halt in the redistribution of incomes to the benefit of high-income groups in the population noted in May 1995 is gratifying. The reduction in inflation rates in the second half of 1995 is the cause. For the first time, the consumer price index was higher than the rate of increase of the consumer basket. As a result, the poorest groups grew poorer more slowly than the population as a whole. Thus, the abortive financial stabilization did nevertheless exert an indirect influence upon the social sphere by reducing the rates of inflation and weakening the negative process of social stratification.

As far as state policy in 1996 is concerned, in the IEA experts' opinion, even if the present government does not slacken its interest in the social sphere, there is little likelihood, given such a large budget deficit, that the resources for such large-scale measures as multiple indexation of wages, pensions, and the people's savings will be allocated.

Russia: Fuel, Energy Sector's Vital Role Stressed

MM0403163296 Moscow TRUD in Russian 29 Feb 96 p 2

[Article by Viktor Khatuntsev under the "Topical Theme" rubric: "The Ministers Know Where the Money Comes From"]

[FBIS Translated Text] Economic analysts find it fairly easy to anticipate the government organs' interest in the raw materials sectors because the situation in other sectors is either indifferent or simply disastrous. We extract gas, oil, and coal from the earth and to a considerable extent nature's bounty sustains our economy which is proving so difficult to reform.

Recently the fuel and energy complex has again become the subject of attention of the president and government. Admittedly, the appearance here of the MVD [Ministry of Internal Affairs] was a surprise: Minister A. Kulikov has published his view of the problem of distributing the revenue from the fuel and energy complex and of its structural "reform" in general.

The ministers know where the money comes from. They should also know where a considerable proportion of it goes, too, because criminal involvement in the oil business has resulted in such crimes as the murder of leaders of production units, bankers, and entrepreneurs. Huge sums of money sufficient for the upkeep of a number of ministries have been made from the sale and resale of oil, including abroad. But even leaving the illegal statistics aside, Russia's fuel and energy complex is a leading element in the country's economy.

The energy sectors provide around 35 percent of federal budget revenue, almost 40 percent of our total export, and almost one-third of industrial output. But during the present "violent buffeting" of the economy, the source of extra revenue is dwindling. Last year oil and gas condensate production fell by 11 million tonnes. The amount of oil refined was down 2.4 percent and the volume of drilling work was down 11.7 percent. Compared with the previous year only 86 percent of the requisite wells had been commissioned.

Last year it seemed that the structure of the Russian fuel and oil complex was more or less regulated. On the one hand you have the centralized and indomitable Gazprom Joint-Stock Company, on the other the vertically integrated oil companies Lukoil, Yukos, Surgutneftegaz, Sidanko, and others. In addition, Rosneft is divided regionally. The "YeES Rossii" Russian Joint-Stock Company has remained manageable not only in the Russian energy sector but also on the territory of adjacent states. It would seem that the only thing that the Ministry of Fuel and Energy has to do now is to adjust the activity of the joint-stock and privatized structures and via them pursue a state policy aimed at the regulation of prices, the distribution of investments, and the allocation of orders to subcontracting machine builders and other enterprises. Especially since such gas and oil industry orders could invigorate production. And that is the aim of the government's adopted fuel and energy program.

However, the market independence of energy producers could be jeopardized simply by a statement by the president that someone is to be dismissed or by a decree of the government commission on nonpayments about who should pay what to the budget. And given that export revenue derives mainly from gas and oil, some people are saying that these structures are virtually "to blame for the crisis." Official thinking is quite straightforward: You can stage a flotation and issue your own shares but if you are overzealous expropriation and "nationalization" are inevitable and no one will remember any of Gaydar's market tenets then.

Everyone wants money. But will there be any money given that the fuel and energy complex was owed 111.4 trillion rubles [R] at the start of the year and its debt had risen to R136 trillion? To make matters worse the State Customs Committee's statistics show that the budget's foreign currency shortfall was around $2 billion. Fines alone amounted to over R1 trillion. Nevertheless, the struggle for power over the fuel and energy complex is very intense and the demonopolization trial balloon which suddenly appeared is clearly on course.

"The nationalization of the Russian oil and fuel industry, an idea which has been strenuously drummed into the public's mind by certain political forces recently, could have disastrous consequences not only for the fuel complex but for Russia's national economy as a whole," a statement from the Oil and Gas Industry Workers' Union says. "The experts' calculations suggest that a large-scale fall in oil extraction is inevitable as a result of the collapse of investments in the oil complex. It could be of the order of 10-15 percent in 1996 alone. A further fall of approximately 25-30 percent in the extraction and production of oil products is expected in the next three years which could lead to an energy crisis both in Russia and in the CIS countries. Primarily in Belarus, Kazakhstan, and Ukraine..."

Calls for the oil and gas industry to be placed under rigid state control again would be understandable if the state itself had invested the necessary resources in it over the past five years and had looked after investments and benefits for oil field and refinery workers. But the truth is the reverse: Taxes and duties are so high that the financial situation of the majority of enterprises even within the vertically integrated oil companies is poor. And even though the government has published their budget arrears and some arrears have already been paid, "robbing Peter to pay Paul" has never increased the amount of money in circulation before. The oil industry needs around R100 trillion in capital investments. Of course the state does not have that kind of money but the temptation to rule and distribute remains unchanged. Some people pump oil and gas while others try to pump out the cash.

At this point another disaster occurred which hit the oil companies hard. The point is that according to the government decree "On the Reevaluation of Fixed Assets," the complex' economic situation is changed radically by the indices drawn up by the State Committee for Statistics. Using an average index of 2.8 the cost price of oil extraction in the first quarter leaps by more than 1.5 times, the price also rises by almost 1.5 times, and exporting becomes unprofitable.

The situation in the sector is tense as shown by the joint news conference by the vice presidents of the five leading oil companies. The economic "helmsmen" outlined the consequences of the reevaluation of fixed assets and even though such solid unanimity could be perceived as public lobbying, the calculations show that this undertaking really could result in substantial losses.

"These measures are creating a crisis situation in the sale of oil in the domestic market," V. Medvedev, president of the Russian Oil and Gas Industry Workers' Union, believes. "You will see how prices are going to rise over the first quarter — almost double — and could exceed the world price. As a result demand will fall, the amount of oil extracted and sold will have to be reduced, and all this will have an impact on the oil fields. The reevaluation of fixed assets which is designed to increase depreciation deductions will be neutralized at the very least."

But might the situation gradually improve given that a condition of the allocation of IMF aid is the removal of export duties, as the oil and gas industry workers have repeatedly demanded? When addressing a session of the Ministry of Fuel and Energy collegium, incidentally, O. Soskovets agreed that a closer look should be taken at the question of the construction and modernization of fuel and energy complex installations using resources made available when oil exports are exempted from customs duties. Such a policy is indeed the most farsighted because without major investments, the complex is doomed to stagnate. And that means an increase of prices which for various types of fuel doubled and even tripled last year while the administrative pegging of prices, the freezing of tariffs, and the extension of the list of essential enterprises which are not to be "disconnected" means that the inevitable price surge is merely postponed.

The fuel and energy complex's influence on the Russian economy is so great that it will remain a target for all kinds of political maneuvers and claims. The most important thing now is to protect the sectors themselves against disintegration, maintain production, and even increase it in the gas and oil industries. After all, when you receive your bill for municipal services, including for power and gas, your own pocket tells you how closely the "big" economy is interconnected with everyday life and our family budgets.

Russia: Moscow Savings Bank Cuts Interest Rate

MM0503115696 Moscow TRUD in Russian 5 Mar 96 p 1

[Report by Lyudmila Pertsevaya: "Gamble on Driving Out Investments"]

[FBIS Translated Text] The official organs had not had time to record the reduction of inflation in February to 2.5 percent, which is 1.3 percent lower than in January, before interest rates at the Moscow Savings Bank dropped by exactly the same amount. Whereas until 1 March the rate on investments for individuals was 4.5 percent (and for amounts of 20 million and above 5.5 percent) with the first day of spring the rate was reduced to 3.2 percent (with four percent for larger amounts).

So far there is no information about the actions of the Savings Bank in the provinces and it seems that for the first time Muscovites will receive far less on their investments than they would in other cities, where interest remains at the four percent level. Whether this attests to the Moscow Savings Bank's difficulties or whether it has simply responded more promptly to a reduction in inflation, the future will tell. Meanwhile we can speak with a sufficient degree of confidence of the most adverse consequences of this short-sighted step to the Russian economy. Investors would probably prefer to invest their rubles again in dollars, which have begun to rise steadily. Over the past month the dollar has risen 100 points and is rapidly approaching the 5,000 rubles mark.

It seems the bank with strong state influence is least concerned for general national problems of attracting investments in production and is again "driving out" its citizens' investments onto the street, to the exchange centers.

Russia: Foreign Currency Restrictions on Land Deals Abroad Lifted

LD0403195296 Moscow ITAR-TASS World Service in Russian 1531 GMT 4 Mar 96

[By BUSINESS-TASS correspondent Irina Bolshova]

[FBIS Translated Text] Moscow, 4 March (ITAR-TASS) — The Central Bank of Russia is to lift restrictions on the use of foreign currency by individuals to acquire real estate abroad. The decision was made by the bank's Board of Directors on 1 March, and announced at a news conference today by Viktor Melnikov, the head of the Main Directorate for Currency Regulation and Control.

Russians will be able to freely, and above all legally, buy houses and apartments abroad, he said, when the bank's decision to change the rules for certain kinds of foreign-currency transaction has been registered at the Finance Ministry and necessary changes made to Russian tax legislation. Also, a tax levied within Russia on these transactions will help increase federal revenues, Melnikov said.

Under existing legislation, Russian citizens can buy real estate abroad only with special permission from the Central Bank. As Melnikov conceded, however, the bank has received just three applications for permission in the past two years, while experts note that land purchases abroad by Russians have become widespread. The idea now is to change the procedure from one of obtaining permission to merely giving notification. A special form will be introduced at authorized banks, to be filled in when a client transfers money abroad to purchase real estate.

Russia: Talks Continue on Ob Oil Field's Development

MM0103131796 Moscow ROSSIYSKAYA GAZETA in Russian 1 Mar 96 Weekend Edition p 3

[Report by Fedor Lukyanov: "'Project of the 21st Century' in the Starting Blocks"]

[FBIS Translated Text] There has been a further round of talks in Moscow between representatives of the Russian Federation Government and the YUKOS oil company in conjunction with the U.S. Amoco Corporation on the prospects for developing the Ob oil field, the biggest oil deposit in Russia — this "project of the 21st century," as it is often described. The size of the project is indicated by the fact that its full development will cost in the region of $86 billion over several decades!

The Ob oil deposit is unique in many regards. It ranks third in the world in terms of proved reserves alone. Its development certainly will give a fillip to the development of the Russian economy as a whole. The scale of the operation is matched by the unique techniques for extracting the oil and protecting the environment proposed by the YUKOS company, which is active both in Russia and in foreign markets (Hungary, Canada, and so on) and its strategic partner Amoco. The major Russian investment bank Menatep, which won the shares-for-loans tender for the state shareholding in YUKOS, is now involved in work on the project and on the funding of it.

During the latest round of talks, as I. Amirov, director of the international projects coordination office of the YUKOS Joint-Stock Oil Company, told your

ROSSIYSKAYA GAZETA correspondent, the sides discussed the legal, technical, and economic aspects of the development of the Ob deposit. Government representatives agreed with the conclusion of the Russian Federation Fuel and Energy Ministry Central Commission for Development Work that the review of the oil extraction levels at the Ob deposit was valid.

The maximum level of 19.9 million tonnes can be achieved in the 16th year. The total production volume remains the same — 578 million tonnes of oil over 58 years of economically efficient operation. The Russian side's revenue from the project, according to preliminary calculations, will be $28.5 billion, which against justified the appellation "Project of the 21st Century."

The interest the Russian Government is showing in the project is indicated by the fact that Premier V.S. Chernomyrdin ordered the setting up of a government commission to examine the terms of the licensing agreement and analyze the project's basic documents. All the sides describe as an important stage the adoption in the State Duma and Federation Council of a Russian Federation law "On Agreements on the Sharing of Output," although some investors believe that some provisions in the law do not fully guarantee their capital investments. Nonetheless, and despite all the difficulties, in the event of a favorable outcome of future negotiations, the implementation of the "Project of the 21st Century" could begin by the end of this year.

International Affairs

Ukraine: Russian Duma Speaker Seleznev's Visit Viewed

WS0403131396 Kiev VECHIRNIY KYYIV in Ukrainian 29 Feb 96 p 2

[Commentary by Hryhoriy Musiyenko: "Russian Practice, the Criterion of the Truth"]

[FBIS Translated Text] The presidential campaign has become the main domestic policy issue in Russia. Restoring the Russian empire stretching from the Baltic Sea to the Pacific Ocean traditionally remains a foreign policy priority. In both cases, Ukraine is becoming a trump card.

This week, we could once again become convinced that this is true. For two days, State Duma Chairman Gennadiy Seleznev and Gennadiy Zyuganov, leader of the Communist Party of the Russian Federation and Russian presidential candidate, persuaded their parliamentary colleagues and party comrades into supporting the idea of restoring the "great and powerful" [preceding two words published in Russian] Eurasian union. Although there were plenty of warm words about friendship and fraternity during their meetings and talks, this cannot be said about their practical implementation in Russia's attitude toward Ukraine.

This was vividly confirmed by a joint communique on the results of the State Duma delegation's visit to Ukraine, which merely admitted "reaching a broad understanding in the process of the Ukrainian-Russian political dialogue, which was conducted in a friendly and constructive atmosphere."

The Russian side understand "constructiveness" quite unequivocally: It is everything that is absolutely beneficial for Russia.

Ukrainian Supreme Council Chairman Oleksandr Moroz presented an initiative to hold an international conference on European security in Kiev. Russian State Duma Chairman Gennadiy Seleznev supported the initiative, though, as it became clear during a news conference, in a very strange manner.

The author of this article addressed a concrete proposal to him, that after returning to Moscow he suggest adopting a special State Duma resolution saying that in the name of friendship and good neighborly relations, the Duma renounces all territorial claims to Ukraine and considers Crimea and all of its infrastructure, including the Black Sea Fleet, to be Ukrainian territory and property. This would be a concrete contribution to the process of strengthening European security. Such precedents have already occurred, for example with regard to Port Arthur.

Mr. Seleznev categorically rejected even the way in which the issue was formulated. There was only one argument: "Crimea has been, is, and will be Russian." It is clear that it is at least naive for Ukraine to expect something different from Russia.

Oleksandr Moroz, however, has supported our proposal. He has even asked us to report that he had expressed this opinion as far back as a month ago. We hope that this issue will become a topic for further negotiations. Yet, we will not live long enough to see a sincere attitude toward Ukraine from Russia.

Ukraine: Aides Concealed Duma Group Visit From Kuchma

AU0503115096 Kiev HOLOS UKRAYINY in Ukrainian 1 Mar 96 p 2

[Statement by the Supreme Council Press Service"]

[FBIS Translated Text] A State Duma delegation of the Russian Federation Federal Assembly headed by State Duma Chairman Gennadiy Seleznev paid an official visit to Kiev on 26 and 27 February 1996 at the invitation of Ukraine's Supreme Council.

The visit was known about in Ukraine well in advance. On 16 February 1996, the Supreme Council forwarded information about this visit to Ukraine's first deputy foreign minister. On 19 February, an answer, signed by Foreign Minister H. Udovenko, was received — proposing measures for preparing the aforementioned visit.

On 20 February, a letter, signed by the head of the Supreme Council Secretariat, was sent to the Ukrainian Presidential Administration with a request to assist in arranging the Russian delegation's meeting with [President] L.D. Kuchma.

On 22 February, the Ukrainian Foreign Ministry sent to the head of the [Presidential] Administration a letter on the concept of the visit, proposals for the president's conversation with the Russian delegation, and information and reference materials.

It was, therefore, odd to hear from the Ukrainian president during his 24 February news conference that he had learned about the arrival of the State Duma delegation from the American press, that is to say, from unofficial sources, and that is why he had no suitable opportunity to receive the Russian parliamentarians.

Unfortunately, for unknown reasons, the head of state's entourage had concealed from him the information sent by Ukraine's Supreme Council and Foreign Ministry about the Russian delegation's visit, thereby causing harm to Ukraine's state interests.

Ukraine: Military Assists Russian 14th Army Withdrawal

LD0403200096 Kiev UNIAN in Ukrainian 1800 GMT 4 Mar 96

[FBIS Translated Text] Kiev — Two echelons of the former 14th Russian Army passed through Ukrainian territory in 1995, and two in 1996, Valentyn Bondarchuk, head of the Ukrainian Army Central Directorate for Military Transport, told UNIAN. He added there had been no violation of rules during the transit of the 14th Army assets.

According to Bondarchuk, Ukrainian military transport subunits "did not only guard the security of the echelons, but also rendered practical assistance."

Ukrainian military transport subunits have been instructed to control the security of railway traffic during the withdrawal of the former 14th Russian Army assets via Ukraine, Bondarchuk said.

Ukraine: Marchuk, Iran's Velayati Discuss Trade Project

LD0403180396 Kiev UT-1 Television Network in Ukrainian 1700 GMT 4 Mar 96

[No video available]

[FBIS Translated Text] Ukraine and Iran have exchanged 19 official visits since the establishment of diplomatic relations in 1992. Now Iranian Foreign Minister 'Ali Akbar Velayati has arrived on the 20th visit.

[Correspondent] The Iranian guest was received today by Ukrainian Prime Minister Yevhen Marchuk. They discussed bilateral economic relations as well as cooperation within the Kiev-Teheran-Ashgabat triangle. The three countries, Ukraine, Iran, and Turkmenistan, are involved in a joint project concerning gas supplies and trade.

The meeting was attended by Deputy Prime Ministers Anatoliy Kinakh and Vasyl Yevtukhov, who head the Ukrainian delegation at the bilateral and trilateral joint commissions, and Foreign Minister Hennadiy Udovenko.

The Ukrainian and Iranian foreign ministers summed up the first day of the Iranian delegation's visit to Kiev. We agreed that the joint bilateral intergovernmental commission will meet this spring in Tehran, Velayati said. The trilateral commission will meet at approximately the same time. Velayati added that he had passed on invitations to Ukrainian President Leonid Kuchma from the presidents of Iran and Turkmenistan to attend the opening of a railway line linking Iran and Turkmenistan, or, in fact, Central Asia and Europe.

[Begin Udovenko recording] Today we discussed a project involving gas and mineral fertilizers. As I said before, Turkmenistan supplies us with gas, we produce mineral fertilizers and sell them to Iran, thus ensuring mutual payments between the three countries. This experience has already attracted interest from other East and Central European countries, and we need to materialize it. [end recording]

Ukraine: Foreign Ministry Condemns Middle East Terrorism

LD0403201496 Kiev UT-1 Television Network in Ukrainian 1900 GMT 4 Mar 96

[No video available]

[FBIS Translated Text] Ukraine is concerned at the dangerous development of events in the Middle East. A Ukrainian Foreign Ministry statement circulated today resolutely condemns the savage and violent means used by extremist groups with the aim of disrupting the peace efforts in the Middle East. Ukraine unreservedly rejects terrorism in any manifestation or form, and is convinced that peace in the region can only be achieved through constructive dialogue on the basis of respect and tolerance.

Ukraine: China Offers Security Guarantee as Nuclear-Free State

LD0403175496 Kiev UNIAR in Ukrainian 1645 GMT 4 Mar 96

[FBIS Translated Text] Kiev [no date as received] — The People's Republic of China will guarantee Ukraine's security as a nuclear-free state, Ukrainian Foreign Minister Hennadiy Udovenko and visiting Chinese Deputy Foreign Minister Zhang Deguang announced after their working meeting in Kiev.

The talks, held behind closed doors, concerned prospects for closer cooperation in economic, political, and cultural areas. Ukrainian Foreign Ministry officials regard Chinese experience in the sphere of economic reforms as an example for Ukraine. On behalf of the Chinese Government, Zhang Deguang invited Udovenko to pay an official visit to China.

The Foreign Ministry press service refused to give any details of China's security guarantees, citing the "closed nature of the working meeting."

Ukraine: Country's Role in Settling Dniester Conflict Viewed

AU0403211596 Kiev HOLOS UKRAYINY in Ukrainian 21 Feb 96 p 5

[Commentary by Anatoliy Martsynovskyy: "Will Kiev Broker Peace Between Chisinau and Tiraspol?"]

[FBIS Translated Text] In the cause of settling the Dniester conflict, Ukraine has, until now, conducted the so-called "quiet diplomacy." This meant, primarily, regular lobby meetings and consultations of Yevhen Levytskyy, Ukraine's temporary charge d'Affaires in Moldova, with the leaderships of Chisinau and Tiraspol and representatives of the OSCE [Organization for Security and Cooperation in Europe] mission. Last year, as a result of these maneuvers, Kiev was officially invited to become a mediator in resolving the Dniester problem.

However, neither the mediation of Ukraine and Russia nor the OSCE's efforts had a positive effect upon the dialogue between Chisinau and Tiraspol. The sides have remained at opposite positions: Moldova favors granting a special status to the Dniester Region, as an integral part of Moldova, whereas the Moldovan Dniester Republic insists on its statehood and, at least, equality with Chisinau within a confederation. Perhaps, to undo the complex Dniester tangle, it is not just a mediator that is necessary, but a leader mediator, such as the United States was, for example, in the Balkan Region. Can Ukraine play such a role?

It is possible that the recent visit to the Moldovan Republic by a Ukrainian Foreign Ministry delegation, headed by Deputy Minister Kostyantyn Hryshchenko, points to precisely such desire. Even though desire alone is not enough: It is necessary to have confidence of each side, considerable influence upon each of them, and sincere interest in the fastest possible resolution of the issue.

Hitherto, Russia showed much more interest for Dniester affairs than Ukraine did. From time to time, the Russian State Duma made various favors to Dniester leaders: Now Dniester President Igor Smirnov was given the floor, now the Duma blocked the Moldovan-Russian accord on withdrawing the former 14th Russian Army from the Dniester Region, and now it was proposed to declare the region a zone of Russia's national interests. The idea of recognizing the Moldovan Dniester Republic has long been brewing at the Duma, and those Russian deputies who frequently visit Tiraspol promise to do this during this coming fall. The Dniester Region's pro-Russian orientation is further reinforced by the free Russian gas and relative ease with which Russian citizenship may be obtained, as well as other factors.

Consequently, Russia has considerable influence in the Dniester Region. However, the sincerity of its desire to reconcile the sides is under a big question mark. The point is that all actions by the State Duma and individual Russian politicians do nothing but harm to the dialogue between Chisinau and Tiraspol, occasionally encouraging the Dniester Region's hopes for independence. Besides, Russia is openly trying to maintain its military presence in the Dniester Region. This naturally generates Moldova's suspicion and mistrust with regard to it. Chisinau markedly prefers the Ukrainian position, which is, despite being not very active, quite balanced and "without tricks": Ukraine firmly supports the principle of Moldovan integrity. Recently, Moldovan Foreign Minister Mihai Popov stated the desirability to bring a Ukrainian contingent of peacekeeping forces into the Dniester Region to "disengage," as one can understand, the Russian troops there.

By contrast to Russia, Ukraine will hardly be able to delay dealing with the Dniester problem — the presence of an explosive region, which borders upon it over a distance of 270 km, does not suit Ukraine in any way. In other words, there is yet another necessary condition for successful fulfillment of active mediatory functions — sincere interest in results. It only remains to have influence on the Dniester Region. Influence, which is presently almost nonexistent and which Kiev has not yet tried to gain. In view of this, the trip by the Ukrainian delegation, headed by Kostyantyn Hryshchenko, to Tiraspol looks quite revolutionary.

All the more so since nobody, not even Russians, has gone on such missions yet.

In Tiraspol, nobody met the Ukrainian diplomats with open arms — this couldn't even be hoped for. The tone and content of Igor Smirnov's speech were approximately as follows: We know why you have arrived here and what you want, but it won't work with us.... "Our approach is based upon the OSCE report, in which it is underscored that Moldova cannot be a unitary state," he stated. The members of the delegation also heard quite a number of criticisms, sometimes perfectly justified, about Ukraine's indifferent attitude toward cooperation with the Dniester Region, where Ukrainians account for one-third of the population, in the economic, educational, and cultural spheres.

According to Kostyantyn Hryshchenko, the results of the visit will underlie proposals on Ukraine's participation in the Dniester settlement that will be submitted to the leadership for consideration. However, some steps have already been made or will be made in the near future. It is expected that a Ukrainian presidential representative will be appointed for settling the Dniester conflict (it is possible that it will be Yevhen Levytskyy — he has quite good contacts with both Chisinau and Tiraspol). Also quite soon Ukraine's new ambassador to Moldova, Roman Hnatyshyn, will soon start his work. A special consular envoy will be commissioned from Kiev to Chisinau. His duties will include regular trips to the Dniester region and work with Ukrainians there.

Incidentally, about Ukrainians: Ukraine's attitude toward them deserves devastating criticism — both from political and moral points of view. If proper contacts are established with them (contacts that are almost nonexistent today), this will not only be beneficial for the Ukrainians there, but will also help gaining reliable political support in the Dniester Region — the Ukrainians there have a longing for "Mother Ukraine."

National Affairs

Ukraine: Constitutional Draft 'Victory' for Kuchma

WS0503085896 Kiev INTELNEWS in English 0216 GMT 5 Mar 96

[By Natalia Petiakh, INTELNEWS Staff Writer]

[FBIS Transcribed Text] Kiev, March 4 — The draft of a new Ukrainian constitution has been completed and will be reviewed by a Constitutional Committee consisting of presidential and parliamentary representatives on Monday.

The draft, as it stands now, is largely a victory for President Leonid Kuchma's point of view, accepting as it does his proposals for a bicameral legislature and a strong presidency.

The new constitution says that Ukraine is a unitary country, with Ukrainian language as both its state and official language. The national flag will be the familiar blue and yellow banner, while the trident will continue as the state emblem. The national anthem is "Ukraine Has Not Died Yet."

According to Constitutional Committee members, the draft envisions a two-house legislature to be called the National Legislative Assembly. In comparison with earlier drafts, the current constitutional proposal increases the size of the lower house from 220 to 370 members.

The new wording also increases presidential power by eliminating the right of legislative initiative from the Cabinet of Ministers and the Crimean Autonomous government. If the new constitution is approved under its current formulation, only the President, Senators and Deputies will have the right to submit laws to the legislature.

Ukrainian politicians have so far been mixed in their reaction to the proposals.

Vitaliy Juravskiy, head of the Christian Democratic Party, criticized the new constitution for putting "the President at the head of executive power" while "he will not bear any responsibility."

On the other hand, Oleksandr Rozumkov, head of the expert council of the center for political and economic investigation and a former presidential administration worker, said that the most recent constitutional draft "ensures the necessary balance between all branches of power."

Ukraine: Kuchma Decrees State Support for Noncommercial Periodicals

LD0403184096 Kiev UT-1 Television Network in Ukrainian 1700 GMT 4 Mar 96

[No video available]

[FBIS Translated Excerpt] The Ukrainian president has issued a decree on state support for periodical publications in 1996. Here is a brief commentary from Presidential Press Secretary Dmytro Markov.

[Markov] Although this decree will be most welcomed by newspaper and magazine journalists and editors, it would not be an overstatement to say that it is designed first of all to meet the interests of every individual in Ukraine. [passage omitted]

According to the decree, state support is given to newspapers and magazines registered before 1 August 1994 and established by the Ukrainian Supreme Council, Cabinet of Ministers, central executive authorities, local governments, creative unions, nongovernmental organizations, research institutions, educational establishments, and, of course, editorial staff. They are exempt from paying value added tax for this year's subscription period on Ukrainian-made newsprint, publishing services, communications, and transport used for the printing, shipment, and distribution of newspapers and magazines. Goods used in the production of newspapers and magazines are exempt from import duty.

The presidential decree also imposes limits on cost price related profitability, calculated for the purpose of setting tariffs for publishing and distribution services, which will make newspapers and magazines more affordable to Ukrainian citizens.

Separate measures are also envisaged to improve the decentralized printing of the most popular newspapers in different regions of Ukraine. The presidential decree on state support for periodical publications instructs the Cabinet of Ministers to allocate funds in this year's budget to compensate at least part of the losses suffered by ministries and departments involved in the publishing and distribution of newspapers and magazines. The decree encourages local authorities, including those in Crimea, to grant additional tax benefits to the press.

The decree also contains some restrictive clauses. It rules out benefits for publications established by commercial entities and private individuals, as well as those containing primarily promotional or erotic information. [passage omitted]

Ukraine: Prime Minister Reprimands Gas Industry Bosses

LD0403150396 Kiev UNIAN in Ukrainian
1300 GMT 4 Mar 96

[FBIS Translated Text] Kiev — At a working conference on 4 March, Ukraine's Prime Minister Yevhen Marchuk heard information on the progress of payments for gas consumed.

Larysa Ivchyna, the prime minister's press secretary, told UNIAN that Marchuk is very dissatisfied with the state of affairs as regards payments. He pointed out "serious shortcomings in this work" and reprimanded Yevhen Dovzhok, chairman of Ukraine's State Committee for Oil, Gas and Oil Refining Industry; Mykhaylo Matsyalko, chairman of the "Ukrhaz" corporation; and Bohdan Klyuk, chairman of the board of the "Ukrhazprom" joint-stock company, for the unsatisfactory way of resolving this issue. Marchuk drew the attention of Deputy Prime Minister for the Economy Roman Shpek and Deputy Prime minister for Fuel and Power Engineering Complex Vasyl Yevtukhov to insufficient control in that sphere. First Deputy Prime Minister Pavlo Lazarenko, who is in charge of settling gas debts with Russia under a Ukrainian president's decree, was instructed to clear up the situation and put forward proposals for normalizing the situation as regards payments for gas within three days.

Ukraine: Defense Ministry Briefs Media on Talks With Russia

LD0403213396 Kiev UNIAN in Ukrainian
1800 GMT 4 Mar 96

[FBIS Translated Text] Kiev — A meeting is to take place in Transcarpathia in mid-March between Valeriy Shmarov and Pavel Grachev, the Ukrainian and Russian defense ministers, to discuss how the accords achieved by the two countries' defense ministers at the meeting in Sochi in November last year are being implemented. As is well-known, 26 agreements were signed, including the transfer of Tu-160 and Tu-95 bombers and 32 SS-19 strategic missiles to Russia. Documents worked out at a meeting of the Ukrainian and Russian defense ministries' working groups in Moscow at the end of February will also be discussed, Valeriy Korol, deputy head of the Ukrainian Defense Ministry's press office, said today at a ministry briefing.

He said that the working groups have examined draft documents on the second stage of the Black Sea Fleet division. According to Valeriy Korol, "fundamental differences in approach were established during discussion of documents on transferring the Black Sea Fleet infrastructure." Thus, the schedule proposed by the Russian side envisages only the transfer of individual facilities, on which accords have been reached previously. The Ukrainian side proposed its own option for the transfer — of practically all remaining Black Sea Fleet facilities, including those in Sevastopol.

According to Valeriy Korol, the Russian Armed Forces' further use of the Ukrainian Nytka runway training grounds, completion of the construction of Russian ships and docks located on Ukrainian territory by Ukraine, and the prospects for such orders in the future were also discussed at the meeting.

Ukraine: Broadcasting 'Chaos' in Crimea Viewed

LD0403131496 Moscow Voice of Russia World Service in Russian 1225 GMT 3 Mar 96

[FBIS Translated Text] What is happening on air in Crimea? There is chaos here too and order needs to be restored, writes the paper KRYMSKAYA PRAVDA, a clip from which Vyacheslav Zarubin, who lives in Simferopol, has kindly sent us. Here is a brief summary of the article he has sent.

There are, at present, approximately 600 television and radio organizations operating in Ukraine and many of them have been working for several years now without any permission whatsoever. Last year, the Republic's National Council for Television and Radio Broadcasting examined 200 applications and granted over 80 licences. In Crimea itself, there are now about 60 television and radio broadcasts; although, only 12 have so far received licenses. In addition to television and radio stations, which broadcast directly on air, there are many small studios and radio wire broadcasting centers including rural ones in the Republic. Most of them operate without any registration or permission at all.

The representative of the television and radio council interviewed in KRYMSKAYA PRAVDA frankly admits that the television and radio broadcast licensing procedure in Ukraine is extremely difficult, confused, and time-consuming. The Ukrainian Ministry of Communications, which is holding up work on working frequencies, is adding its contribution to this web of confusion and hassle. As a result, some broadcasters are going on air on frequencies allocated to them by amateurs. Sevastopol's Megapolis radio station has been refused a license for failing to pay the license fee, while many television and radio studios and stations are putting out pirate audio and video material in breach of existing legislation. The National Council, the paper concludes, will be closely checking that all the republic's television and radio broadcasters observe the law.

Ukraine: Minister Fears Repeat of Chernobyl Explosion

LD0403213996 Moscow INTERFAX in English 1940 GMT 4 Mar 96

[FBIS Transcribed Text] KIEV, March 4 (INTERFAX) — The ferroconcrete shroud over the fourth power unit that was destroyed by the Chernobyl nuclear disaster nearly 10 years ago is such that the tragedy may repeat itself, Yuriy Kostenko, Ukraine's environment and nuclear safety minister, told journalists in Kiev Monday.

"The thermal chemical migration of nuclear fuel inside the remnants of the reactor may result in a critical concentration resulting in fast heating and a thermal explosion," he explained.

Kostenko believes that Ukraine cannot cope with the situation without large-scale aid from the world community.

Belarus

Belarus: Yeltsin-Lukashenka Joint Statement Published

WS0403104096 Minsk ZVYAZDA in Belarusian 29 Feb 96 p 1

[Statement by Belarusian President Alyaksandr Lukashenka and Russian President Boris Yeltsin, in Moscow on 27 February]

[FBIS Translated Text] Having deeply and comprehensively analyzed the course of the development of relations between Belarus and Russia and the entire spectrum of their bilateral cooperation, Belarusian President Alyaksandr Lukashenka and Russian President Boris Yeltsin consider it necessary — given the existing conditions — to launch further measures to bolster mutual cooperation and to attach a qualitatively new character to the process of Belarusian-Russian integration in political, economic, social, cultural, humanitarian, and other areas.

Based on historical links between Belarus and Russia, the feelings of friendship and brotherhood between the two peoples, and their will to further continue their rapprochement, expressed in the May 1995 referendum in Belarus and in the October 1995 decisions by the Russian Federation Federal Assembly, the presidents consider that the unification of the material and intellectual potentials of the two states is an obligatory condition for economic growth, the creation of corresponding conditions for an increase in both living standards and spiritual development, and for the opening of potential opportunities for each and every individual.

The striving of the two fraternal peoples for unification has been dictated not only by historic need, the community of their destinies, and their spiritual closeness, but also by clearly expressed economic needs, given their particular mutual dependence and mutual supplementing of their national economic complexes.

The presidents authorize the governments of the two countries to — within a three-month period — prepare a draft agreement to specify principles and basic trends in their further comprehensive rapprochement. Given this, the presidents proceed from the fact that the task of coordinating the implementation of economic reform, synchronizing and unifying national legislations, and of creating joint state management bodies must be assumed as a joint foundation, making it possible to form a joint market for commodities and services, a market for capital and labor force, and to provide equal conditions, opportunities, and guarantees for the activities of economic entities and free entrepreneurship. At the same time, a more intensive concentration of production, financial, and labor resources must be achieved to implement joint economic programs and to provide state support for the development of production cooperation and for the establishment of transnational production associations, primarily financial-industrial groups. [as published] Particular attention will be given to the coordination of social policies, the harmonization of national systems of social support for the people, evening the amounts of pensions, benefits, and privileges to war and labor veterans, and of state support for invalids and poor families.

The presidents intend to widen the area of joint activities, primarily in such sectors as the rights of an individual and of a citizen, contacts between the people, cultural links, education, science, and foreign political activities, regional security, environmental protection, and the fight against crime.

The Belarusian and Russian presidents are sure that the deepening of cooperation between the two states — equal subjects in international law — serves the interests of the strengthening of the CIS.

Belarus: Lukashenka Briefs Media on Results of Moscow Visit

WS0503090896 Minsk BELAPAN in English 0729 GMT 5 Mar 96

[FBIS Transcribed Text] The results of the official visit of President Alyaksandr Lukashenka to Russia was the main subject of a news conference with the Belarusian president which took place on March 4. As Mr. Lukashenka told reporters, the majority of questions concerning bilateral cooperation were considered by the Belarusian and Russian presidents during their tete-a-tete meeting. According to Mr. Lukashenka, they agreed about making a special integration program which envisages the subsequent joining of other CIS states, and the presidents want to see above all the Ukraine joining. The presidents agreed that at the end of March or in the first days of April the Belarusian president will pay one more visit to Moscow to sign a more detailed agreement for the development of integration between the two countries. According to Mr. Lukashenka, during his meeting with President Boris Yeltsin, questions concerning economic reforms occurring in both countries, as well as those of the implementation of the customs agreement were subject to thorough discussion. Mr. Lukashenka welcomed the fact that the Russian leadership had given consent to joint support for a number of Belarusian enterprises, for instance the Minsk tractor and motor factories, by the creation of a common budget for specific interstate programs. In order to intensify cooperation the presidents agreed about the expediency to unify legislations relating to not only economic matters but also other questions.

The presidents also discussed the possibility of using the Kaliningrad sea port in the interests of Belarus. In this respect Boris Yeltsin suggested cooperation in the reconstruction and development of the port. At the present time, according to Mr. Lukashenka, the parties are considering several versions to select the optimum one for the organization of Belarusian cargo shipment. According to the Belarusian president, there are two alternatives at the very least for Belarusian products to reach the port - via Poland and via Lithuania. The presidents also pointed out that the construction of the motorway Berlin-Warsaw-Brest-Minsk-Moscow had unreasonably been dragged out, and that this project needed immediate realization. The presidents came to terms about the intensification of efforts on the joint strengthening of the western border of Belarus, especially with Lithuania and Latvia.

Among other questions under consideration there were cooperation between migration services, the organization of the joint struggle against crime and citizenship matters. The presidents agreed that they would inform the leaders of the other CIS member States of their negotiations and present all the documents that were signed during the Moscow summit. According to Mr. Lukashenka, eight documents were signed, including a joint declaration by the presidents of Belarus and Russia; agreements on the settlement of financial claims; on the guidelines of trade and economic cooperation; on price policy; on scientific and technical cooperation; on cooperation in the field of informatics; on mutual recognition of certificates on education and scientific degrees; on cooperation in the development of the motorway Berlin-Warsaw-Brest-Minsk-Moscow in the Brest-Minsk-Moscow section. All the signed documents, with the exception of the agreements on trade and economic cooperation and on scientific and technical cooperation came into force at the moment of signing. The aforesaid two agreements will be carried into effect on mutual notification about the implementation of required inner-country procedures.

The agreement on the settlement of financial claims is regarded as the main document signed during the Moscow negotiations. The parties agreed about the so-called 'zero version'. This in fact means that the debts of Belarus and Russia to one another have been written off. According to the Belarusian president, Belarusian debts for gas and Russian state loans were counterbalanced by such arguments as free transit, the maintenance of military bases, the maintenance of the western border, keeping the Belarusian army at the proper level of fighting capacity, the provision of pensions for retired military servicemen (Belarus inherited around 120,000 of them from the Soviet Union). According to Mr. Lukashenka, the cancellation of Belarus' debts to Russia does not mean that all the debts of Belarusian economic entities to Russian organizations will be remitted. The president said that those enterprises that had constant debts for Russian energy carriers, took Russian loans and withheld payment to the Belarusian state budget, should not expect these debts to be written off. But they may enjoy a deferment of four-five years. The president hopes that on the expiration of this period such enterprises will prove to be solvent at last, and be able to pay off their debts. The debt repayment resources are expected to be used to implement the basic state programs, above all the Chernobyl one.

Belarus: Lukashenka Elaborates on Pact With Moscow

WS0403155196 Minsk BTK Television Network in Belarusian 1900 GMT 3 Mar 96

[Report by Ihar Hrishan and Valeryy Sorkin]

[FBIS Translated Text] The visit by Belarusian President Alyaksandr Lukashenka had a certain political tinge; after all, it was in the Grand Kremlin Palace where the two state leaders for the first time uttered the word that has a very deep meaning, unity. It does not simply mean economic integration, but the striving of the two fraternal nations for unity. Let us note, however, that for all the significance of the visit's results, an even more momentous event is awaiting us in the future, precisely — unless some obstacle gets in the way — this March.

[Begin Lukashenka recording] Generally speaking, the present visit is just an intermediate one, before the March negotiations and the conclusion of a treaty — a big, large-scale treaty that will deepen our integration and answer many specific questions, such as: Whether national or supranational bodies should be established? Speaking about integration, it is time to go farther than just talking about it. We should do something concrete in that direction. In March we will not only sign the treaty, thus answering the question about relevant bodies, but we will talk in specific terms as to whether there should be — and since we are talking about expansion, it surely should be — a budget for the programs which we will implement in cooperation with the Russian Federation. Take the Chernobyl problem, for example. Is it a Belarusian problem? Was the Chernobyl station built on the Belarusian land by Belarusians? Was it run by Belarusians? No. But the explosion that hit it led to a situation where 70 percent of this horrible disaster fell on our state as a heavy burden. Also, joint programs, financed by such a budget, could be carried out in the economic and military-technical spheres. So, I have just cited two examples, maybe jumping the gun a little bit. What I am saying is that this kind of agreement, the treaty, about a very deep integration between our states is possible. [end recording]

Belarus: President Rules Out Sending Troops to Chechnya

LD0403213196 Moscow INTERFAX in English 1940 GMT 4 Mar 96

[FBIS Transcribed Text] MINSK, March 4 (INTERFAX-WEST) — Belarusian President Alyaksandr Lukashenka has categorically ruled out the possibility of sending Belarusian troops to Chechnya.

He told a news conference in Minsk Monday that despite close military cooperation with Russia, Belarusian troops cannot be sent for combat operations abroad because it contradicts the constitution.

"And even if there was no contradiction and parliament authorized sending a Belarusian military contingent to Chechnya, I as the commander-in-chief would not allow it," said Lukashenka.

He is confident Russia can resolve this "purely internal conflict" on its own, not resorting to anybody's help.

Belarus: Chyhir, Myasnikovich Comment on Agreements With Russia

WS0103153996 Minsk BTK Television Network in Belarusian 1900 GMT 28 Feb 96

[Unattributed report]

[FBIS Translated Text] This evening, Belarusian Prime Minister Mikhail Chyhir and Presidential Administration Head Mikhail Myasnikovich returned from Moscow, where the Belarusian-Russian summit was taking place during the last two days. Our correspondent talked with the state leaders about the essence of the signed agreements.

[Begin recording] [Correspondent] Mikhail Mikalayevich, what does the so-called zero option envision, in addition to the cancellation of mutual debts? And, what conditions are being set by the Russian side for our country?

[Chyhir, in Russian] It is, of course, a very important document for us. True, this document should be submitted for ratification by the State Duma of the Russian Federation. First of all, it means the same starting conditions for the Russian and Belarusian economies for further integration. It also means a reduction of our debt for gas, which was equal — as of 1 February — to $600 million, and without any penal fees; it also means the cancellation of [the repayment of] credits that we obtained from the Russian Federation in the amount of $470 million.

[Correspondent] Nevertheless, what conditions should be fulfilled by us?

[Chyhir, in Russian] It is much simpler for our side to fulfill all the necessary procedures in Belarus, since reducing the debt and approving these sums in the budget is primarily the responsibility of the Russian Federation.

[Correspondent] Can we expect some political statements in the near future in connection with the possible political unification of the two states?

[Myasnikovich, in Russian] Well, the presidents did sign a statement during the official visit. The statement says that we are entering a fundamentally new level of integration. However, this does not contradict the generally accepted principles, the principles of the European Union and the CIS. The intentions expressed in the statement — which is the political will of our president — say that: following the conclusion of the new stage of the customs union it is necessary to prepare documents needed for developing broader economic and humanitarian cooperation, as well to jointly resolve the urgent problems in our countries.

Belarus: Minister Praises Debt Cancellation Accord With Russia

LD0103154696 Moscow INTERFAX in English 1328 GMT 1 Mar 96

[FBIS Transcribed Text] MOSCOW, March 1 (INTERFAX) — A senior Belarusian minister has expressed satisfaction with the accord between Belarus and Russia to cancel all their mutual debts.

"Russia owes us $1.37 billion and we owe Russia as much. Although we believe the Russian debt is somewhat bigger," Deputy Prime Minister Leonid Sinitsyn told Interfax.

The agreement "is a great success for the leadership of Belarus," Sinitsyn said. "In the past, our leaders felt depressed about the problem. The president of Belarus, Alyaksandr Lukashenka, in the course of his recent visit to Moscow, put the matter point-blank and was understood by the Russian side."

Commenting on planned integration between the two former Soviet republics, he said it would primarily be embodied in a military and political alliance.

"As far as economics goes, it is important for Belarus to cooperate with Russia in the energy field. Our country is short of energy. In exchange, Belarus is ready to supply Russia with high technology and highly skilled personnel," Sinitsyn said.

Moldova

Moldova: Russian Commander Offers Troops for Peacekeeping

LD0403172496 Moscow INTERFAX in English 1421 GMT 4 Mar 96

[FBIS Transcribed Text] CHISINAU, March 4 (INTERFAX) — A Russian military group stationed in Moldova's self-proclaimed Transdniester Republic is ready to become peacemakers after its personnel receive proper training, group commander Lieutenant General [Lt. Gen.] Valeriy Yevnevich told the Dnestrovskaya Pravda newspaper in Tiraspol Monday.

"This would be economically expedient and cost Russia much less, as it will not have to send peacemakers from the Volga military district every six months," said the general.

Yevnevich said he "will not abide by the resolution of a military court to reinstate Mikhail Bergman as military commandant of the Tiraspol garrison." Bergman was dismissed by Russian Defense Minister Pavel Grachev.

He said the defense minister received the court resolution and appealed to a higher court of the Moscow military district. "I abide only by orders from my direct commander," said the general.

Commenting on violations to the schedule for dispatching engineering equipment of the former 14th Army to Russia, Yevnevich said "this was caused by poor consideration of technical details in the Russian-Moldovan intergovernmental agreement on division of property of the former Soviet Army."

He noted that the equipment is ready to leave for the railroad station, but they need permission for supply of the freight-cars "which have been paid for by the military to load the engineering equipment and bring it to the east."

Some 19 trains carrying Russian engineering equipment are to leave Transdniester before late May 1996, but only two have left for Russia.

Moldova: Russia Restarts Equipment Removal From Dniester Area

LD0503120696 Moscow ITAR-TASS in English 1119 GMT 5 Mar 96

[By Valeriy Demidetskiy]

[FBIS Transcribed Text] CHISINAU, March 5 (ITAR-TASS) — The Russian military contingent stationed in the Dniester region of Moldavia has restarted the removal of engineering equipment to Russia.

The process was halted in February because of the differences between the Moldavian and Dniester authorities over the division of property of the former 14th Russian army.

Under an agreement on the gradual withdrawal of Russian troops from the Dniester region signed between the governments of Russia and Moldavia, about one-third of the property was to be transferred to Moldavian authorities. The Tiraspol authorities objected as they thought the formula of division unfair and claimed the part of property intended for Chisinau as theirs.

The Moldavian military who are not in control of the Dniester region demanded that the Russians deliver their share of property to the right bank of the river Dniester. In an effort to bring pressure to bear on the Russian troops command, the Moldavian authorities discontinued the provision of railway trucks for the loading of engineering equipment.

The commander of the Russian troops stationed in the Dniester area, Lieutenant-General Valeriy Yevnevich, responded by declaring that "the Russian troops have no intention of interfering with politics, and the way out of the situation must be found by the leaders of Moldavia and the Dniester region."

General Yevnevich expressed regret that different structures in Chisinau and Tiraspol were mainly concerned with getting benefits for themselves from the withdrawal of Russian property from the Moldavian Republic.

Sources in the Russian army headquarters told Itar-Tass that last week's consultations between Chisinau and Tiraspol had led nowhere. For this reason, the rolling stock sufficient to form two trains was provided by way of exception.

It was not immediately known when the remaining 20 trainloads of equipment would be able to leave the area.

Moldova: Polish Deputy Prime Minister Urges Increase in Trade

AU0403165196 Chisinau BASAPRESS in English 1930 GMT 2 Mar 96

[FBIS Transcribed Text] Chisinau 2 March (BASAPRESS) — Poland wishes to join NATO for security reasons exclusively and is ready to discuss it with anyone who has reservations, Polish Vice Premier Grzegorz Kolodko who was on a two-day visit in Chisinau told a press conference today.

Asked to what extent Poland guides by Russia's position, Kolodko said Poland respects the opinion of other states, but adherence to NATO is a matter of member countries or countries that intend to join it.

Kolodko said his meetings with Moldovan officials dealt with economic issues, in particular extension of trade between Moldova and Poland.

"A foreign trade turnover of only $7 million is not satisfactory, but the rate of increase is considerable," said Kolodko, adding there are five Moldovan-Polish joint ventures.

Poland will examine possibilities to grant a loan of $25 million to Moldova for coal purchases.

Moldovan wines are of great interest for Poland, said Kolodko, adding "the problem is not to produce, but to sell."

Touching upon the Polish minority in Moldova, Kolodko said he did not manage to meet with Polish ethnics for lack of time.

"Poland contributes to the development of ethnic minorities' culture and therefore I hope that Moldova does the same. Any minority must contribute to the development of the country," said the Polish vice premier.

Today, Polish and Moldovan representatives signed the documents which ratified the Friendship and Cooperation Treaty signed during President Snegur's visit to Poland last October.

Moldova: Official Views Need for Customs Settlement With Ukraine

AU0503132396 Chisinau INFOTAG in English 1930 GMT 4 Mar 96

[FBIS Transcribed Text] Chisinau, March 4 (INFOTAG) — "For Moldova, it is of an exceptional importance to settle customs problems with Ukraine", Mr. Fedor Angheli, deputy chairman of the parliamentary Foreign Policy Committee, told INFOTAG.

He said, numerous treaties and agreements signed by heads of CIS states fail to become operative in practice. "For us, it is economically unfavorable to wait until all the states find common points of contact. Therefore, we are forced to undertake more active steps to solve problems on a bilateral basis", Angheli said.

In his opinion, both Moldova and Ukraine are interested in resolving matters of mutual interest. These are, chiefly, problems which emerge at the border sections in the Basarabeasca, Taraklia and Vulcanesti districts where railway and automobile roads run.

"It would be just unimaginable in Soviet times that a railway which enters the Ukrainian territory and is partly a Moldovan property will become a subject of interests of two new independent states. But nowadays such problems do appear. Moldova is seeking to settle them as soon as possible, for the disputes only hamper our exports to CIS states", the deputy said.

Kazakhstan

Kazakhstan: Article Criticizes Results Produced by Foreign Managers

LD0403130496 Almaty KARAVAN BLITZ in Russian 28 Mar 96 p 3

[Unattributed article: "The fairy-tale about the speckled hen"]

[FBIS Translated Text] The transfer of major Kazakh enterprises to foreign management has already begun to remind one of the old fairy tale about the speckled hen. You may remember: "The old man is crying, the old woman is crying." The same thing happens in our story: near the golden egg, which was finally and irrevocably broken into pieces, and which was undoubtedly made up of some of the unique enterprises of our mining and processing industry, clearly audible sobbing if not weeping has already begun to be heard. After the journalists, economists began to lament that there is not much benefit from these undertakings for the government. Finally, officials from the State Committee for the Management of State Property (SCP), who are carrying out this policy, announced this at the top of their voices.

In recent weeks a note has been going around the editorial offices of the mass media in Almaty, signed by Birzhan Madyev, chairman of the main department for fundamental sectors of the SCP, in which the real state of affairs on the "managerial front" is laid out in detail.

It turns out that a total of 42 contracts were concluded between native and foreign companies since December 1994. At present only 30 of them, under which 45 Kazakh enterprises were transferred to [foreign] management, are continuing to operate. However, as a result of the activities of these foreign firms, only $8,675,000 have been added to the state treasury. This is the full extent to which all of these managing firms, which our government has consistently portrayed as gigantic money-bags, have loosened their purse-strings. Strange, isn't it?

However, you will agree that the situation is not strange at all, but rather looks entirely suspicious, when the "money-bag" arranged by the government turns out to be unable to pay even for the power and heating consumed by the enterprise, despite the privileges granted. Have we given our best enterprises over to bankrupts to manage?

Needless to say, against this background, the failure of the enterprises entrusted to managing firms to clear debts payable and receivable is quite natural. There are plenty of old acquaintances among the firms mentioned in the State Property Committee note — White Swan Ltd, Donnex, Samsung-Deutschland GmBh, who, judging by their sluggish attitude, are not in the least embarrassed by their tarnished reputation. The State Property Committee official says that the situation became absolutely critical at the Karatau joint- stock holding company, once the biggest producer of yellow phosphorus, which was given over to a Kazakh-Russian-Uzbek firm, YUTEK-LUKoil. In 18 months of management, the firm did not fulfill a single condition laid down in the contract. Neither in terms of clearing wage and pension arrears, nor in paying debts to the budget, nor in allotting the necessary funds to fill the capital funds. Finally, after 18 months' proof of the "money-bag's" insolvency, the contract with YUTEK-LUKoil was scrapped.

According to the SCP note, officials are much irritated by the fact that some of the firms have simply ignored the demand to submit their investment programs. The same White Swan Ltd and a Swiss firm, Nova Resource, are among them.

However, the most paradoxical situation was in the truly unique and once top-secret Ulba defense metallurgical plant [in East Kazakhstan]. The plant's entire property, an analogy with which can be found only in the United States, was estimated at 730 million tenge at a time when the cost of just 16 furnaces from one section was about $8 million. As far as we know, the financial control agencies and tax services are now trying to find out the reasons or the perpetrators of such absurd discrepancies. Time will show to what extent they will manage to do this.

Daylight robbery of Kazakhstan's natural resources began with the mining enterprises. It turns out that the existing contracts signed a long time ago allow the managing firms, without conducting major work, "to skim off the cream and decide on their own immediate tasks", allowing a fall in the quality of raw materials mined and a loss of attendant metals.

State Property Committee officials are publicly saying that it is quite possible that "firms are investing funds in production at the expense of the funds of others (using secret self-crediting, at the expense of non-payment of debts)," and not at the expense of their own loans and credits, as was confirmed in the government. It has become known that a number of managing firms are "pushing" certain types of output abroad on the cheap, by reducing prices. Although, from the point of the State Property Committee, such operations require particular inspection, given the nonpayment crisis and the lack of financial means, and it cannot be excluded that this inspection may also have come too late. What these firms are doing is called dumping, in economists' language, and may lead directly to the world community imposing serious fines. It is interesting to speculate as to who would bear the costs — the managing firm or the entire republic, should this happen? The answer makes itself obvious, on the analogy of all that is happening.

You ask: How will your new style fairy tale end? We will try to answer. Remember the classic plot of the fairy tale about the speckled hen? The old man and woman are to blame for everything, and end up crying. It is most likely that those naughty officials who were unlucky enough blindly to follow instructions from above to conclude contracts with foreign firms and observe their implementation, will end up crying. According to a tradition in our country, it is these people who will be the scapegoats. The hard-working hen, I mean the people, clucks and clucks, tightens her belt, and tries with all her might to lay one more golden egg. The small and almost inconspicuous mouse, which dashed the egg to the ground with a single wave of his tail and stirred up all the trouble, will come out of the fairy tale best. How many of these broken pieces of shell will he take home to his mousehole? Some time later he will become king of the mice. But that is another story.

Kyrgyzstan

Kyrgyzstan: President Appoints New Prime Minister

LD0403160896 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 1200 GMT 4 Mar 96

[FBIS Translated Text] Edict by the president of the Kyrgyz Republic on the prime minister of the Kyrgyz Republic:

Apas Dzhumagulov is appointed prime minister of the Kyrgyz Republic, under subparagraph two of paragraph one of Article 46 of the Constitution of the Kyrgyz Republic, and with the consent of the Assembly of People's Representatives of the Supreme Council of the Kyrgyz Republic.

[Signed] Askar Akayev, president of the Kyrgyz Republic.

Kyrgyzstan: President Forms New Government; Many Ministers Retain Posts

LD0403215196 Moscow INTERFAX in English 1940 GMT 4 Mar 96

[FBIS Transcribed Text] BISHKEK, Mar 4 (INTERFAX) — President Askar Akayev formed a new Kyrgyz Government Monday.

Prime Minister Apas Dzhumagulov and numerous ministers of the former government retained their posts. New appointments were made chiefly in the ministries dealing with social issues and the economy.

Bekbulot Talgarbekov, formerly minister of agriculture and food, is now the deputy prime minister in charge of agriculture.

Chairman of the State Property Fund Amangeldy Muraliyev took over the position of deputy prime minister in charge of manufacturing industries.

Mira Dzhangaracheva, member of the Legislative Assembly in the country's bicameral parliament, has been appointed deputy prime minister in charge of the sociocultural policy.

Former chairman of the Central Electoral Commission Mambetzhun Abylov has become the new minister for emergencies.

Akayev has kept the prior foreign, defense, interior, national security, finance, economy, labor, culture, public health, transport and justice ministers and chairmen of physical culture and nature protection committees.

Kyrgyzstan: President's Staff Given Greater Powers

LD0403172696 Bishkek Kyrgyz Radio First Program Network in Russian 1200 GMT 4 Mar 96

[FBIS Translated Text] Kamil Bayalinov, the president's press secretary, held a briefing for journalists in Bishkek today. He reported on the events in which President Askar Akayev will take part this week. Then Bayalinov dwelled on the formation of the [new] government and the president's administration. He said, in particular, the following:

[Begin Bayalinov recording] The picture of the administration's structure looks like this. The president's decrees appointing the head of the president's administration and the heads of the [president's] departments will be published in the press today. The regulations of the president's administration will, of course, be submitted for publication.

In the meantime, I can say that, under the regulations on the president's administration, it will be provided with great powers, above all to control the government and hear reports by ministers, and a board of the president's administration will be set up to decide the question of, for example, appointments to some higher posts and removing people from these posts. In other words, the president's administration will be provided with enormous duties to regulate the government. All the officials at all levels will be accountable to the president's administration.

The president appointed Kubanychbek Jumaliyev to the post of head of the president's administration by decree yesterday. He is not a functionary, he is an academician. He is an academician of the National Academy of Sciences and an academician of the International Academy of Information. He has served as first deputy minister of education and science and chairman of the State Committee for Science and Technology before; in other words, he has the relevant qualifications. I believe that the president's administration will enhance its prestige through his leadership. [end recording]

Kyrgyzstan: Russia's Nikolayev Signs Accord on Border Cooperation

LD0503094196 Moscow ITAR-TASS in English 0928 GMT 5 Mar 96

[By Alisher Niyazov, Boris Kipkeyev]

[FBIS Transcribed Text] BISHKEK, March 5 (ITAR-TASS) — An agreement on official representatives of the frontier guard troops in the Russian Federation and the Republic of Kyrgyzstan was signed today between the Kyrgyz government and the Russian Federal Frontier Guard Service. Its director, Andrey Nikolayev, arrived in Bishkek today. Following his meeting with President Askar Akayev, two documents were signed, which regulate and coordinate cooperation between the frontier guard services of the two countries.

The agreements envisage, among other things, the presence of official representatives of Russian frontier guard troops in Kyrgyzstan. It was decided to prolong the mandate of the Kyrgyz battalion, which had been dispatched before to reinforce the Russian frontier guard force in Tajikistan. On the instruction of President Yeltsin, Nikolayev presented with medals six high-ranking officials of the Republic of Kyrgyzstan for active assistance to the Russian frontier guard troops in defending the Tajik-Afghan border.

Kyrgyzstan: Iran's Velayati Tours Kyrgyzstan

LD0103192396 Moscow INTERFAX in English 1837 GMT 1 Mar 96

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] BISHKEK, March 1 (Interfax) — To stabilize the situation in Tajikistan the mediators' — Iran and Russia — assistance is needed and opposition forces should take part in the work of parliament and other state structures, Iranian Foreign Minister 'Ali Akbar Velayati said in Bishkek on Thursday at the news conference on the results of his one-day visit to Kyrgyzstan. Kyrgyzstan shares this position of Iran on the inter-Tajik settlement, according to him.

Meeting with Velayati, President Askar Akayev said about the decision to open the Kyrgyz Embassy in Iran. He believes this will make it possible "to develop more intensively trade and economic cooperation between the two countries." The visit to Iran of a Kyrgyz National Bank delegation in March will promote this cooperation.

The Iranian Foreign Minister handed over to Akayev an invitation to take part on May 12-13 in the ceremony of opening a railway line Tedjen—Siraks, connecting Turkmenistan and Iran.

Kyrgyzstan's joining the transport system connecting Turkmenistan and Iran, will give it an outlet, via Iran and Turkey, to ports in the Persian Gulf.

Iranian Foreign Minister 'Ali Akbar Velayati left Bishkek for Almaty where he and Kazakh President Nursultan Nazarbayev considered problems regarding bilateral relations and a number of "pressing regional problems."

Kazakh presidential spokesman Dulat Kuanyshev told Interfax that the Iranian Foreign Minister handed Nazarbayev the invitation of Iranian President Hashemi-Rafsanjani to take part in the opening of the Tedjen—Siraks railway line, connecting Turkmenistan and Iran. The opening ceremony is planned for May 13.

Kuanyshev quoted the Kazakh president as saying that "Kazakhstan sees the coming event as very important" because "it will open wide prospects for the development of transport communications between Central Asian countries and Iran."

The trans-Asian railway line will help reduce the time required for freight transportation from the Pacific coast of China to Istanbul by 25-30 percent compared with the sea route through the Persian Gulf and the Suez Canal.

Kyrgyzstan: Velayati Holds Talks on Economic Cooperation

LD0403180096 Bishkek Kyrgyz Radio First Program Network in Russian 1200 GMT 4 Mar 96

[FBIS Translated Text] As we have reported, 'Ali Akbar Velayati, the Iranian minister of foreign affairs, is in the [Kyrgyz] republic on an official visit.

Constructive and detailed talks on the state of affairs in the sphere of economic cooperation and on the prospects for its development between Kyrgyzstan and Iran was held at the meeting between Prime Minister Apas Dzhumagulov and 'Ali Akbar Velayati. The Kyrgyz head of government stressed repeatedly during the talks that the most favorable conditions were being created in the republic for foreign companies wanting to invest their capital in the Kyrgyz economy. There are various ways to arrange various measures, investments, and the setting up of private production.

Dzhumagulov offered cooperation in completing the construction of the Tash-Kumyr Semiconductor Plant [north-west Kyrgyzstan], the production of which is of strategic importance. Two types of goods out of three, which the plant is to produce, have been developed in six months. The market for the plant's goods should be vast. Switzerland, Japan and the CIS countries, including Russia and Ukraine, need them. There is not enough capital investment to launch the entire plant at present and which the Iranian side could invest in on preferential terms.

An agreement to produce minibuses jointly in Kyrgyzstan has been signed. An appropriate plant was found to do this but the work is advancing slowly. The necessity to fund great expenses is frightening the Iranians off. Dzhumagulov expressed his readiness to adjust this question to their mutual satisfaction.

The republic's head of government stimulated particular interest in the prospects of cooperation in the sphere of power energy. Kyrgyzstan has powerful water resources. Two great rivers of Central Asia — the Amudarya and Syrdarya — originate here. Power stations running on water produce cheap power energy, while they preserve the ecologically clear atmosphere. The price of electric power is five to six times higher in Kazakhstan and Uzbekistan, where they use gas, coal, and oil to produce it. Electricity from Kyrgyzstan is already running to China via cables and Pakistan and India are showing great interest in this matter. Two hydroelectric power stations are now being built in Kyrgyzstan which need $40 million to launch them completely. If Iran intends to be an investor, then such capital investment will be rewarded very quickly, within six months. The expected return from the hydrostation is $80 million a year.

From the Kyrgyz side, Minister of Foreign Affairs Otunbayeva, and Iranian Ambassador to Kyrgyzstan, Tavassoli, took part in the talks.

Tajikistan

Tajikistan: Russian Border Service Chief Signs Four Documents

LD0403154996 Moscow ITAR-TASS World Service in Russian 1432 GMT 4 Mar 96

[By ITAR-TASS special correspondent Boris Kipkeyev]

[FBIS Translated Text] Dushanbe, 4 Mar — Four documents regulating cooperation between Russian and Tajik border guards were signed in Dushanbe today between the Federal Border Service of Russia and the government of Tajikistan during the visit to Tajikistan by Andrey Nikolayev, director of the Federal Border Service of Russia. In particular, agreements were signed which regulate investigative operational activity and standards of legal support for the activity of representatives of the Federal Border Service of Russia in Tajikistan. Documents relating to the financing of the Group of Russian borderguards in Tajikistan were also signed. The sides decided to share their financing equally.

"Russia has an interest in the situation on the border between Tajikistan and Afghanistan being a border of peace and friendship and it is towards this end that we are conducting our work," Andrey Nikolayev told journalists today. In his view, "the present situation on the Tajik-Afghan border cannot be regarded as normal." "In the spring period," he said, "we expect a possible increase in hostilities on the part of the irreconcilables."

Andrey Nikolayev said that during his conversation today with the leader of Tajikistan, Emomali Rakhmanov, the hope was voiced that the republic's leadership, in conjunction with the UN mission, the CIS countries and the collective peacekeeping forces, could find an option for extending the ceasefire protocol signed earlier in Teheran.

Andrey Nikolayev is expected today to award Russian Federation orders and medals to Russian and Tajik borderguards who have distinguished themselves.

On Tuesday Andrey Nikolayev flies to Bishkek.

Tajikistan: General Nikolayev Interviewed Upon Arrival

LD0403163496 Moscow Russian Television Network in Russian 1400 GMT 4 Mar 96

[FBIS Translated Text] General Andrey Nikolayev, director of the Federal Border Service, arrived in Tajikistan today where he will discuss questions of improving and coordinating the joint actions of the border services.

[Correspondent T.Logunova] A relative calm has descended on the Tajik-Afghan border. No large-scale border crossings or clashes between Russian border troops and armed groups who have dug in on Afghan territory were recorded over the past 48 hours. But, in the opinion of the command of the group of Russian border troops in Tajikistan, the situation on the border is rather like the calm before the storm. This was endorsed by Andrey Nikolayev, director of Russia's federal border service.

[Begin Nikolayev recording] The Tehran agreement has not been officially signed, but as far as we aware, there is a readiness on both sides to consider the possibility of signing this document, with certain conditions. I think that the leadership of Tajikistan and the leadership of the IRP [Islamic Revival Party] should explore all possible avenues to ensure that this document is signed, because this cease-fire agreement is an important integral part of a settlement in Tajikistan. [end recording]

[Logunova] The Russian general was received by Tajik President Emomali Rakhmanov. The situation on the Tajik-Afghan border was discussed.

Tajikistan: Russia's Nikolayev Comments on Peace Prospects

LD0403194196 Moscow ITAR-TASS in English 1858 GMT 4 Mar 96

[By Galina Gridneva and Boris Kipkeyev]

[FBIS Transcribed Text] DUSHANBE March 4 (ITAR-TASS) — Russian Federal Border Guard Service Director Andrey Nikolayev met Tajik President Emomali Rakhmanov on Monday to discuss security on the Afghan border and ways to settle the conflict in Tajikistan.

Meeting journalists after his 90-minute one-to-one talks with the Tajik leader, Nikolayev said he shared Rakhmanov's concern that a ceasefire agreement reached between Tajik government forces and the opposition had not been extended yet.

At the same time, he noted that both sides are interested in its extension and expressed the hope that it will be extended in the very near future.

Nikolayev welcomed Rakhmanov's decision to call a special session of parliament on March 11 with the participation of the opposition to discuss the terms of peace in the republic.

During the meeting, Nikolayev and Rakhmanov also discussed the economic situation in the republic and joint efforts to ensure the security of the Tajik-Afghan border.

Speaking about the situation on the border, Nikolayev noted that its stability will depend on the extension of the ceasefire agreement which expired in February.

He noted that there is no need to deploy more troops or military hardware on the border and stressed the need to more actively engage international organisations and other CIS countries to protect the southern frontiers of the Commonwealth of Independent States.

Azerbaijan

Azerbaijan: Good Relations With Israel Said Behind Iran's 'Indignation'

NC0403205596 Baku TURAN in English
0429 GMT 4 Mar 96

[FBIS Transcribed Excerpt] Baku 04/03/96 TURAN — [Passage omitted] Yesterday at the press-conference held in Baku Foreign Minister of Iran Velayati stated that Shim'on Peres issued a book in which he states that the Caucasus, Middle Asia and Persian Gulf are zones of strategic interest of Israel and this region should be changed. Velayati also blamed Israel in its desire to conquer whole Islam world and that testifies that Israel is the enemy of all Islamic states, Velayati believes. This statement was commented on by Yotvat [Israeli ambassador to Azerbaijan] so: "Velayati is indignant. There is a book which Velayati mentioned by, but there are not such fool statements about which Iranian Foreign Minister spoke," The Ambassador said.

The reason for indignation by the Iranian Minister are good relations between Israel and Azerbaijan and other Caucasian states. We are aware about demands of Velayati to stop all relations with Israel, told by him during visit of Heydar Aliyev to Almaty. However, it is known well what Heydar Aliyev answered him.

According to Yotvat, Iranian leadership , and Velayati more than once stated about the intention of Israel and the US to conquer Islamic world and the mentioned regions. " The truth is that not Israel but Iran wants that," Yotvat concluded.

Azerbaijan: Armenian Views Iran, U.S. Caucasus Moves

964F1287A Yerevan GOLOS ARMENII in Russian
27 Feb 96 pp 1, 3

[Article by Narek Mesropyan: "'Friends' and Enemies of Iran"]

[FBIS Translated Text] The trip by Mahmud Vayezi, deputy minister of foreign affairs of Iran, to Baku, his statement that there were practically no unresolved problems in the relations of the two states, and the signing of a whole number of interstate agreements and also the intention to start up the Amirabad (Iran)- Baku ferry crossing testify that trends toward an improvement have emerged in the relations of the two countries. But all this is just one side of the coin, as they say. In actual fact, everything is far more complicated.

Even if we leave aside Baku's eternal dissatisfaction with the friendly relations between Iran and Armenia (during the December visit to Baku the same Vayezi obliquely made it understood that there was no reason to pay this matter serious attention since the indicators of trade and economic relations with Azerbaijan were on average higher than with Armenia) [$60 million with Azerbaijan, only half as much with Armenia], the normal course of relations of the two neighboring countries is being hampered by a whole number of other factors, which, as in the above-mentioned case, can hardly be disregarded.

It is no secret that Azerbaijan has recently been coming increasingly under the protection of the United States. NEZAVISIMAYA GAZETA has reported that after the U.S. Administration declared its support for the policy of the present Azerbaijani leadership and its intention to defend in any way the interests of the American oil companies participating in the development of the Azeri, Chirag, Gunesli, and Karabakh fields in the Azerbaijani sector of the Caspian, a number of major banks of the United States expressed a readiness to invest large sums of capital in the economy of Azerbaijan. Citibank, which until recently had considered all transactions involving Baku oil contracts high-risk, has become a potential investor. Today it intends not only to finance the "contract of the century" but other Baku oil projects as well.

In addition, the American-Azerbaijani Caspian-Geophysical joint venture has completed geophysical exploration in the zone of the Azeri, Chirag, and Gunesli offshore oil fields in the Caspian shelf and has presented a final report to the Azerbaijan International Operating Company (AMOK), which is the coordinator of the "contract of the century."

Now some details on how the relations with Iran of the "great friend of Azerbaijan" are shaping up. As the newspaper SEGODNYA reported, the White House has no objection to Congress' decision to allocate within the framework of the budget of the U.S. intelligence community an additional $20 million for secret limited operations in Iran "to transform this country's radical Islamic regime into something more moderate."

According to THE WASHINGTON POST, which is well informed in matters of the secret services, the lawmakers are not setting the CIA such ambitious objectives as destabilization of the Tehran regime or its ouster. The intelligence department has been ordered "to weaken the extremist aspects in Iran's policy" and "to support its transition, even if very slow, in the direction of moderation." Congress has not authorized funds for military assistance to members of the opposition.

The program of subversive operations against Iran was adopted under pressure from House Speaker Newt Gingrich, who throughout the past year repeatedly expressed his concern at Tehran's policy. In his opinion, this is "the most dangerous country in the world" and a "terrorist state" representing "a constant threat to all of civilization." He demands that American intelligence concentrate on ensuring that "Iran never get its hands on nuclear weapons."

Congress is insisting on a toughening of the anti-Iran policy of the United States along other lines also. Specifically, last week the Senate approved a bill which broadens the existing embargo on trade with Iran by the punishment of foreign companies investing capital in Iran's oil industry. It is assumed that the administration will have no objections to this bill either. In addition, the U.S. leadership has formally consented to the creation together with 27 other countries of a special multilateral organization intended to suppress attempts by Iran, Iraq, Libya, and Sudan to purchase modern types of arms and dual-purpose technology.

Attempting to mitigate the manifestation of new anti-Iran trends in the policy of the United States, President Clinton said in an interview with the Saudi newspaper ASH-SHARK AL-AUSAT, which is published in London: "We have no problems with the people of Iran. The problem is the unacceptable behavior of the Iranian Government." "The trade embargo," the U.S. president declared, "signifies one thing—a demonstration of our resolve to force Tehran to pay a price for the continuation of its threatening activity."

Hitching its economic and foreign policy to the American cart, Baku understands, of course, that it cannot simultaneously maintain good relations with Iran also, but it is doing everything to preserve at least the semblance of them.

Baku came to an agreement with Tehran after relations between Iran and Azerbaijan had cooled following the refusal of the international oil consortium to grant Iran a share in the "contract of the century." The Azerbaijani leadership tried to lessen the embarrassment, proposing that Iran take part in the development of the Shah-Deniz oil field in the Azerbaijani sector of the Caspian. Iran has for more than a year been in no hurry over its response, linking its decision, evidently, with determination of the international status of the Caspian shelf. Meanwhile, during a visit to Tehran by Aleksey Bolshakov, deputy premier of the Russian Federation, in October 1995, the parties signed a communique proposing that all the Caspian states refrain from development of the shelf until the status of the Caspian had been established definitively. Despite this, Russia is already taking part actively in the development of the fields of the Azerbaijani sector: The influential LUKoil company has a contract for the Karabakh field and aspires also to join the Shah-Deniz consortium, Iran, though, as before, is still hesitating....

Speaking about Russian-Iranian relations, Iranian diplomats consider it their duty to emphasize that their pronounced improvement should under no circumstances be perceived as a threat to third countries.

But words are one thing, deeds are quite another. It is perfectly obvious that Tehran is following with unease the normalization of relations between Russia and Israel. As we know, RF Defense Minister Pavel Grachev recently paid an official visit to Israel, becoming the first leader of Moscow's military department to make such a trip. A memorandum of understanding in respect to an unprecedented agreement on cooperation between the two countries was signed as a result. Israel is also interested in affiliating with Moscow in the sale of weapons to third countries.

It can hardly be doubted how the results of this visit were perceived in Iran, Israel being considered one of its main enemies (the antipathies, I would observe, are mutual: The Jews also make no secret of their animosity in relation to the country from which, in their view, Islamic fundamentalism receives its main charge).

As the American JOURNAL OF COMMERCE AND COMMERCIAL [as published] observes, "last year Tehran benefited from cooperation with Moscow, but the public partnership between Russia and Israel is, possibly, something with which it cannot easily be reconciled. Russian specialists are completing the construction of a nuclear power plant in Bushehr. Moscow is also paying for the construction of a railroad in Turkestan, which could be a trade route via Iran with the Far East of the Russian Federation. In response, Tehran is supporting the Russian legal interpretation of the international division of the oil fields of the Caspian.

"This is of decisive importance for Azerbaijan, which in conjunction with American and other oil companies is realizing a program of development of the oil fields of the Caspian. At the insistence of the Bill Clinton administration, Iran was barred from participating in this project. In order to compensate for Iran having been pushed aside from development of the Chirag oil field, Baku is attempting to interest Tehran in an alternative project concerning development of coastal oil fields. But this field—Shah-Deniz—is outside the 20 km coastal zone that Russia has proposed in response to Azerbaijan's claims. If Iran decides to take part in this project, this will mean that Tehran no longer supports Russia on the question of the division of the Caspian."

Precise and objective. Having won Iran's consent, Azerbaijan would, perhaps, have gained the biggest political victory over Russia. Whether Russia would be reconciled to this is another matter. Particularly under circumstances where, with Kozyrev's departure, this country's foreign policy is undergoing significant changes.

Georgia

Georgia: Shevardnadze Edict on Eurasian Corridor Problem Center

AU0103194896 Tbilisi SAKHALKHO GAZETI in Georgian 20 Feb 96 p 3

["Edicts No. 174 and 175 of the Georgian President"]

[FBIS Translated Text]

Edict No. 174 of the Georgian President on the Creation of an Eurasian Transport Corridor Problem Center Attached to the Georgian Transport Coordination Council

In order to implement Edict No. 111 of the Georgian president of 9 January 1996 and speed up the elaboration of programs and projects connected with measures to integrate Georgia's transport system within the structure of the Eurasian transport corridor, and coordinate work, attract investment, and utilize rationally funds allocated for this purpose by international organizations and donor countries:

1. To create an Eurasian transport corridor problem center attached to the Georgian Transport Coordination Council.

2. To approve the problem center's staff structure (an appendix is attached). To determine a staff list of six.

3. To entrust the Georgian Transport Coordination Council (A. Chkhaidze) with approving the rules of the problem center within two weeks.

4. To finance the Eurasian Transport Corridor Problem Center from the Georgian central budget.

[Signed] E. Shevardnadze
[Dated] Tbilisi, 15 February 1996

Edict No. 175 of the Georgian President on the Appointment of G. Nakaidze as Director of the Eurasian Transport Corridor Problem Center Attached to the Georgian Transport Coordination Council

To appoint Guram Nakaidze as director of the Eurasian Transport Corridor Problem Center attached to the Georgian Transport Coordination Council deputy chairman of the Transport Coordination Council.

[Signed] E. Shevardnadze

Georgia: Shevardnadze Creates Consultative Economic Council

AU0403140496 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 21 Feb 96 p 1

["Edict of the Georgian President on the Creation of a Consultative Economic Council Attached to the Georgian President" issued in Tbilisi on 4 February]

[FBIS Translated Text] **In order to determine and implement a strategic course aimed at adapting the country's economy to the world economy, implement a single economic policy, and promote the coordination of the activities of bodies of state power:**

1. To create a consultative economic council attached to the Georgian president made up of the following people:

Eduard Shevardnadze — council chairman, Georgian president;

Niko Lekishvili — Georgian state minister;

Temur Basilia — aide to the Georgian president on questions of economic reform;

Petre Bakradze — council secretary, head of the State Office Economic Service;

Tamaz Bezhanishvili — general director of the "Tbilkhelsatsqo" joint-stock company;

Bakur Gulua — Georgian minister of agriculture and food;

Konstantine Zaldastanishvili — Georgian minister of trade and foreign economic relations;

Davit Iakobidze — Georgian minister of finances;

Iakob Meskhia — director of the Georgian Ministry of Finances Institute for Finances and Statistics, doctor of economic sciences, professor;

Elguja Mekvabishvili — dean of the Faculty of Economics at Tbilisi I. Javakhishvili State University, candidate of economic sciences;

Tevdore Ninidze — Georgian minister of justice;

Vladimer Papava — Georgian minister of economy;

Zurab Tqemaladze — general director of the firm "Sameba";

Ivane Chkhartishvili — chairman of the United Georgia Bank Supervisory Council;

Nodar Chitanava — director of the Georgian Ministry of Economy Institute for Economic and Social Problems, doctor of economic sciences;

Teimuraz Chqonia — president of the firm "Coca-Cola-Kavkasioni";

Mamuka Khazaradze — president of the firm "Tbilisi Business Center";

Nodar Javakhishvili — president of the Georgian National Bank;

2. To approve the attached provisional rules of the Consultative Economic Council Attached to the Georgian President.

3. To entrust T. Basilia, aide to the Georgian president and P. Bakradze, head of the State Office Economic Service, on the basis of consultations with council members, with submitting a long-term plan of work for the Consultative Economic Council for discussion and approval at the next session.

4. To annul Edict No. 127 of the Georgian Head of State of 14 June 1993 "on the Creation of an Emergency Economic Council Attached to the Georgian Head of State" and Edict No. 179 of the Georgian Head of State of 22 August 1993 "on the Introduction of Changes to Edict No. 127 of the Georgian Head of State of 14 June 1993 'on the Creation of an Emergency Economic Council Attached to the Georgian Head of State'" and Edict No. 320 of the Georgian Cabinet of Ministers of 18 May 1994 "on the Republic of Georgia Government Commission for Economic Questions."

[Signed] E. Shevardnadze

Georgia: Peacekeeping Forces' Commander Interviewed

MM0103154296 Moscow KRASNAYA ZVEZDA in Russian 1 Mar 96 pp 1-2

[Interview with Lieutenant General Vasiliy Yakushev, commander of the Russian peacekeeping forces in the Georgia-Abkhazia conflict zone, by Vitaliy Strugovets; date, place not given: "If We Leave, the War Will Start Again"]

[FBIS Translated Text] From the KRASNAYA ZVEZDA dossier: V.I. Yakushev was born 22 October 1946 at the Sutara mine in Obluchenskiy Rayon in the Jewish Autonomous Oblast. He graduated the Blagoveshchensk Higher Tank Command School, the Military Academy of Tank Troops, and the General Staff Academy. Prior to his appointment as commander of the peacekeeping forces he served as deputy commander for combat training in the Northwestern Group of Forces.

[Strugovets] Vasiliy Ivanovich, how do you assess the situation in the region today?

[Yakushev] The situation in the Georgia-Abkhazia conflict zone is critical today. Primarily because even now, with the passage of 20 months of the peacekeeping forces' presence here, the refugees who had pinned their hopes of a speedy return home on the forces' presence have still not been able to carry out their plans. But it is not the peacekeepers' fault.

Under the peacekeeping forces' mandate the process of the refugees' return is not a function of ours. We are supposed to create the conditions for their return. The rest is up to the local authorities. We have done our job: We have stopped the hostilities and withdrawn the warring parties' armed formations from the security zone.

That has made it possible to create favorable conditions for the work of the quadripartite commission on the settlement of the conflict. And it has already achieved some things. For instance, an agreement was recently signed on the restoration and joint operation of the railroad that goes through Abkhazia's territory to Georgia. The two republics' governments are examining a protocol on the settlement of the conflict. And let me note that it contains many new provisions and approaches to the resolution of the situation that exists.

But the main thing has still not been done. Even today, two years after the end of active hostilities, the Georgian and Abkhaz sides have yet to arrive at a unified political solution. Georgia is, de jure, a single, integral state. And we, Russia, constantly emphasize that. But, de facto, official Tbilisi has no influence on Abkhazia. The Abkhaz have been living autonomously for more than two years now. It is hard to predict how the problem will be resolved politically. And that is not our job. The peacekeepers only separate the warring parties and do everything possible to extinguish the flames of armed confrontation.

And another factor in the tension is banditry, robbery, and hostage-taking. This last, unfortunately, is happening increasingly frequently. Some people resolve their financial difficulties in this way, obtaining between 5 and 30 million rubles per hostage in ransom money. Others are political. For instance, gunmen from the left — Georgian — bank of the Inguri river recently kidnapped two Abkhaz soldiers. The Abkhaz, in response, arrested more than 10 of Tbilisi's supporters. Now, on the snowball principle, more kidnaps can be expected.... And naturally, all this exacerbates the situation.

But even so, in Galskiy Rayon, which, incidentally, we consider one of the most troubled, some 85 percent of those living there before the conflict have already returned. That is a lot.

I remember how in June 1994, when the peacekeeping forces had just entered, you could pass through a number of population centers and not meet a single person. There were hardly 100 people in Gali, the rayon center. That is out of the 6,000 (!) who lived there before hostilities began. But today in Gali the schools are working, the bazaar and cafes are open....

[Strugovets] What do the peacekeeping forces in the conflict zone consist of today?

[Yakushev] There are some 2,500 soldiers and officers of the Russian peacekeeping forces in the Georgian-Abkhaz conflict zone today. There are infantry subunits from the Volga Military District and the Group of Russian Forces in the Transcaucasus, a parachute battalion, and tank, artillery, engineering, and aviation subunits.

The peacekeepers serve at 45 posts, occupying a territory of some 150 km along the front and 50 km deep.

In general it is a very strong, well-armed grouping capable of fulfilling its tasks. Including, if required, by force of arms, for which the peacekeeping forces have certain powers. And the local population have been informed of that.

[Strugovets] The mandate for the peacekeeping forces' presence in the conflict zone expired 31 December. A new mandate was due to be adopted 19 January 1996 at the Council of CIS Heads of State. However, because of certain disagreements, this question was not finally resolved, and the duration of the peacekeeping forces' presence was automatically extended for only three months — to 19 April. What is the reason for the differences of opinion?

[Yakushev] As far as I understand it, the main reason for the failure to approve a new mandate for the peacekeeping forces was disagreements on the question of giving the peacekeeping forces policing functions.

[Strugovets] So there are two possible scenarios: Given approval of the mandate, the Russian peacekeepers will remain in the conflict region; otherwise, they will leave after 19 April....

[Yakushev] Yes. If the mandate is extended, events will continue to develop in the same vein as in recent months. And during the operation of the mandate a decision may be found that suits everyone. At least the two sides have now come very close to the signing of a protocol on a settlement of the conflict. And the protocol, which defines the main provisions, will be followed by a treaty setting forth in detail all aspects of mutual relations. But a final agreement on all questions needs time. Peaceful time! And only the Russian peacekeeping forces can provide that, as they are unequivocally the sole restraining force here as of today.

[Strugovets] What if the peacekeeping forces have to leave the conflict zone?

[Yakushev] If the extension of the peacekeeping forces' mandate is refused, the war will start again here. Using all the means of armed struggle. How could it happen? Desperate refugees in Zugdidskiy Rayon and all over Georgia will begin a mass return to Galskiy Rayon. Abkhaz armed formations and police will try to prevent the return of people involved in the 1992-1993 hostilities. Armed clashes will erupt. The Georgian regular army will doubtless come to the refugees' assistance. And there you are, a new war.

[Strugovets] What kind of relationship do the peacekeeping forces have with the warring parties?

[Yakushev] The relationship is fairly good. Although not without friction. Especially from the Georgian side. Sometimes our posts — especially at the bridge over the Inguri river — are blocked; sometimes the peacekeepers are accused of various "sins" that, when investigated, cannot be discovered; sometimes the passage of our fuel and food transport is barred.... Sometimes you get the feeling that it was we who imposed our presence on them, instead of the Georgian leadership that invited us officially. Although I understand that some actions are spontaneous and are prompted by the refugees' extreme despair. And they are directed not against the Russian servicemen, but against the politicians — they want to force them to find a compromise more quickly by putting pressure on the peacekeepers. But much more often they thank us: for clearing mines, for protection, for medical assistance.

As for the peacekeepers' position, from the first days of our contingent's presence in the conflict region it has been clear: We do not favor either side....

Georgia: Humanitarian Aid Scandal Reported in South Ossetia

MM0503111596 Moscow PRAVDA in Russian 5 Mar 96 p 2

[Report by Vladimir Statskiy under the "On the Spot" rubric: "Russian Rubles and Danish Canned Stew Give Tskhinval No Peace"]

[FBIS Translated Text] Tbilisi — According to reports in the mass media, confrontation between the population and the authorities continues in Tskhinvalskiy Rayon, caused by the misuse and misappropriation of 3.5 billion rubles transferred from Russia for the purpose of restoring the local economy.

Meanwhile the friction between South Ossetian leader Chibirov and Council of Ministers Chairman Gabarayev is getting worse. The former accuses the latter of making unilateral decisions on very important issues. There is no agreement in the ministerial camp either, which sometimes leads to tragic consequences. During an ordinary argument in Tskhinval a few days ago South Ossetian Republic Agriculture Minister Dzhioyev shot and wounded Municipal Services Minister Tatiyev, who was then finished off with a shot from an assault rifle fired by a relative of Dzhioyev who just "happened" to be there.

A huge crowd demanding the resignation of the government, which is up to its ears in corruption and skulduggery involving humanitarian aid, recently gathered in front of a Tskhinval theater. The people were pacified by a promise to hold an extraordinary session of parliament and ensure that everyone gets their just deserts. Meanwhile the question of where the Russian money and the Danish canned stew have disappeared to simply remains unexplained. At the end of last December the Danish company Caritas shipped more than 200 tonnes of humanitarian aid to Tskhinval, but it did not reach the hungry population. After being delivered to its destination the humanitarian aid disappeared without trace. The company management together with the inhabitants have charged the administration with stealing the consignment, but the administration is clearly in no hurry to admit its guilt because, apart from anything else, the investigation of the incident has been put into the hands of the local law enforcement agencies.

Meanwhile rumors have been spread that the Georgian president is preparing a specific proposal to withdraw the peacekeeping forces from the Tskhinval area if the refugees do not return there. Commenting on them, Dieter Boden, chief of the OSCE mission in Georgia, has stated that he has no information regarding this. According to him, Shevardnadze's stance should not be understood as meaning that the Georgian authorities are preparing proposals to withdraw troops from the region. In Boden's opinion, they are still necessary there.

Lithuania

Lithuania: Brazauskas Sends Condolence Message to Israeli President

WS0503085296 Vilnius ELTA in English 1743 GMT 4 Mar 96

[From "News Bulletin" No. 960]

[FBIS Transcribed Text] Vilnius, March 4, ELTA — Lithuanian President Algirdas Brazauskas sent a message to Izraeli President Ezer Weizman after the suicide attacks that hitted [as received] the central Jerusalem.

"I and all people of Lithuania are shocked by the attacks of the extremists looking to destroy the peace process," Brazauskas said in his message.

Lithuanian president expressed hope that the peace process in the Middle East would not be stopped. "I would like to extend our most sincere condolences both to Israeli people and to the families and relatives of those who have died so tragically in the act of terrorism," the message reads.

Lithuania: Polish President Praises Relations With Vilnius

WS0503085596 Vilnius ELTA in English 1743 GMT 4 Mar 96

[From "News Bulletin" No. 960]

[FBIS Transcribed Text] Vilnius, March 4, ELTA — "Our present political interaction is very positive, and my approaching visit to Vilnius is to become one more step in development of cooperation between our countries," Polish President Aleksandr Kwasniewski told Lithuanian Radio before his official two-day visit to Lithuania that is to start on Tuesday.

Kwasniewski noted the Polish-Lithuanian bilateral relations strenghtened of late years, including meetings of Cabinet leaders, ministers, as well as regional contacts.

Economic cooperation also is developing, although, "there are unused reserves in this sphere, that could intensify trade, widen investment flows from Poland into the Lithuania's economy and vice versa," he said.

Polish president gave favourable evaluation to military cooperation. He said the transfer of Polish military equipment to Lithuanian Army was not a symbolic gesture but an example of real cooperation.

Kwasniewski noted that coordination of bouth states' actions in the international scene was very important. Poland has great interests that Lithuania became the member of the Central and East European Free Trade Area (CEFTA).

"We are constantly stressing at the international forums and meetings with Western politicians, that democratic reforms in Lithuania are successfully going on, economy is developing; thus, this makes favourable preconditions for Lithuania to become the member of the European Union," he said.

His visit to Lithuania is his first trip abroad after he has become the President of Poland. Last year, Lithuanian President Brazauskas visited Poland, now Kwasniewski should pay his return visit.

Kwasniewski said he met with Brazauskas in Paris during the funeral of French President Francois Mitterand and promised his first visit to be to Lithuania.

"Such my decision is based by a persuasion that I appreciate very much our good relations and that I have to show this by a gesture of symbolic benevolence. Therefore I have chosen Vilnius for my first official visit," Kwasniewski said to the representative of Lithuanian Radio in Warsaw.

Lithuania: Border Agreement With Poland Initialled

WS0503085696 Vilnius ELTA in English 1743 GMT 4 Mar 96

[From "News Bulletin" No. 960]

[FBIS Transcribed Text] Vilnius, March 4, ELTA — Lithuanian and Polish negotiators initialled the draft state border agreement last weekend.

Rimantas Sidlauskas, Lithuanian foreign ministry secretary, told ELTA that the agreement was initialled in Vilnius on Sunday [3 March] about 2:00 local time (2300 GMT, Saturday).

The agreement is to be signed during the visit of Polish President on Tuesday. The document most likely will be confirmed by foreign ministers Povilas Gylys of Lithuania and Dariusz Rosati of Poland.

The state border agreement is to come into force after it is ratified by the parliaments of both states and after the exchange in ratification notes.

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